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Japan

Further on Developments in the Soviet Union

Yeltsin Speaks With Kaifu

OW2108173891 Tokyo KYODO in English 1704 GMT 21 Aug 91

[Text] Tokyo, Aug. 21 KYODO—Russian Federation President Boris Yeltsin told Japanese Prime Minister Toshiki Kaifu on Wednesday he fears Soviet coup leaders will try to force ousted President Mikhail Gorbachev to sign resignation papers when they meet with him shortly for 'negotiations.'

Yeltsin, speaking to Kaifu by telephone, said that coup leaders left Moscow on Wednesday to hold talks with Gorbachev, according to a Japanese Foreign Ministry Official.

Yeltsin told Kaifu he was concerned that the leaders would try to induce Gorbachev to step down, but he said he was confident that Gorbachev would not comply.

The Russian president said he expects a report from KGB Chief Vladimir Kryuchkov following the negotiations.

Yeltsin did not specify who among the eight state emergency committee members had departed for the meeting during the 20-minute phone call.

Yeltsin also told Kaifu he is concerned about Gorbachev's physical safety.

'The danger is not over,' he was quoted telling Kaifu.

He said that though many troops have followed his orders to return to their barracks, some KGB militia remain stationed outside the Russian parliament building, his refuge for the past 48 hours.

Yeltsin told Kaifu that a military attack is still possible.

Yeltsin decried Monday's coup attempt as violating the Constitution and said all coup leaders should go on trial.

He said he is certain Gorbachev, who was under arrest in the Crimea where he was vacationing, is not ill.

The state emergency committee announced Monday it was taking over power, on the pretext that Gorbachev was too sick to continue governing.

Yeltsin expressed appreciation for international condemnation of the coup, and gave Kaifu a personal thank-you for his strong support, which he said had been 'very useful.'

'We have the people's support,' he was quoted as saying.

Kaifu, placing the call after nearly half an hour of faulty connections, paid his respects to the determination and courage displayed by the Soviet people in their struggle to preserve peace and democracy.

'I strongly hope that the struggle for justice will finally be victorious,' he said.

He called for the early reestablishment of democratic structures, and pledged to continue support for perestroyka reforms.

The conversation was Kaifu's first with Yeltsin since the popular Russian leader became the focus of opposition to Monday's coup by eight hard-liners, including military and KGB leaders.

Earlier in the day, Kaifu had come under fire in parliament from a member of his Liberal Democratic Party for not making efforts to contact the Russian president.

At the parliamentary committee meeting, Kaifu offered his first public expression of support for Yeltsin as the legitimately elected president of the Russian Federation.

However, his diplomatic efforts since Monday had focused on contacting other G-7 leaders.

On Tuesday, Yeltsin received strong backing in phone calls with U.S. President George Bush and British Prime Minister John Major.

He also received encouragement from French President Francois Mitterrand in a phone conversation earlier on Wednesday.

Yeltsin told ABC television network on Tuesday that the calls from Bush and Major had helped head off a Soviet Army attack against his stronghold in the Russian parliament building.

Kaifu has expressed concern for Gorbachev's safety, but has avoided calling for his reinstatement.

In response to a reporter's question on the future of Gorbachev on Tuesday, Kaifu suggested that the Soviet people should use 'democratic steps' to select their leaders.

Kaifu Receives Yeltsin Message

OW2208141691 Tokyo KYODO in English 1348 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 KYODO—Russian Federation President Boris Yeltsin told Prime Minister Toshiki Kaifu in a message Thursday his government is assuming supreme power over the Soviet Union until President Mikhail Gorbachev returns to work.

Gorbachev, in a separate message, delivered by the Soviet charge d'affaires in Tokyo earlier in the day, said he has resumed complete power and that his country will recover constitutional order in a few days.

A Foreign Ministry official said that, despite the contradictory messages, the ministry "respects both messages because in spite of being busy they took the time to write Prime Minister Kaifu."

Yeltsin, in a message translated into Japanese by the Foreign Ministry, said "We have restored law and constitutional order to the entire Soviet Union.

"Under our command, the coup leaders have been arrested, and are now in detention," he said.

Yeltsin's message, transmitted by facsimile to the Foreign Ministry, said that in the near future Russia, "together with the president of the Soviet Union," will try to determine the liability of the eight coup plotters under Russian Federation laws.

"Through our efforts the Soviet president was freed from confinement, and returned to Moscow. The forces that attempted to interfere were eliminated. Now M.S. Gorbachev has been enabled to continue his constitutional duties," said the message.

"Until the time when President Gorbachev returns to work, we have asumed supreme power in the nation," it added.

Yeltsin assured Kaifu that he would guarantee freedom and democracy. "We are confident that Russia will never again fall under the hands of unenlightened ideologues," he said.

Earlier in the day Chief Cabinet Secretary Misoji Sakamoto said Japan would boost contacts with the Russian Federation to match the increase in Yeltsin's influence.

Envoy Relays Gorbachev Message

OW2208122891 Tokyo KYODO in English 1038 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 KYODO—Soviet President Mikhail Gorbachev in his message to the Japanese Government called for Japan's cooperation to secure daily necessities to stabilize the livelihood of the Soviet people, Foreign Ministry officials said Thursday.

Gorbachev's message said he has completely reassumed power and his country will recover constitutional order in a few days.

The message was delivered by Soviet charge d'affaires in Tokyo, Yuriy Kuznetsov, to Nagao Hyodo, chief of the ministry's European and Oceanic Affairs Bureau, the officials said.

Gorbachev, who returned to Moscow from the Crimea on Thursday following the collapse of the coup attempt to oust him, also said the Soviet Union will continue to place importance on the policy of democratic reform, human rights, and international treaties and accords.

Gorbachev called for the maintenance and development of good relations with Japan.

The Soviet president said he will do his utmost to secure the necessities of life such as foods and medicine, which are expected to be in short supply this winter.

Gorbachev said he is in good health and his government has gained full support from all Soviet republics.

The Soviet envoy said Gorbachev's message was prepared before he returned to Moscow from the Crimea.

Kaifu, Mitterrand To Consult on Aid

OW2208115691 Tokyo KYODO in English 1132 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 KYODO—Prime Minister Toshiki Kaifu and French President Francois Mitterrand agreed Thursday that major industrialized countries should consult closely on assistance to the Soviet Union in the wake of the failed coup this week.

Mitterrand, speaking with Kaifu by phone, also said that the Group of Seven (G-7) industrialized nations need to cooperate more with the Soviet Union in fields other than financial assistance as well, a Foreign Ministry official said.

"The Soviet Union faces an array of problems such as how to work the relationship between the Union and the republics," Mitterrand was quoted as saying.

"The international community has an important role to play in helping the Soviet Union overcome its political and economic problems," the French President said.

Mitterrand said he hoped to meet with Kaifu soon to discuss the Soviet situation, the official said.

France has advocated more generous assistance to Moscow than has Japan, which is concerned that showering money on the ailing Soviet economy will not necessarily cure its problems.

Japan also wants to resolve a long-standing territorial dispute with the Soviet Union before making available major assistance.

Mitterrand also told Kaifu that from the beginning of the coup on Monday he had predicted correctly that it would end in failure, the officials said.

Kaifu Encourages East Europe

OW2208143191 Tokyo KYODO in English 1309 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 KYODO—Prime Minister Toshiki Kaifu sent letters of encouragement to five East European countries during the short-lived coup against Soviet President Mikhail Gorbachev, Foreign Ministry officials said Thursday.

Officials said the letters were sent to Bulgaria, Czechoslovakia, Hungary, Poland, and Romania before the coup by hard-liners in the Communist Party, military, and security forces failed Wednesday.

Yugoslavia, now embroiled in civil war, and Albania were the only countries of the region not to receive letters.

In the letters, Kaifu called on the East European countries to further advance their reforms "so as not to let the political change in the Soviet Union have an adverse effect on democratization and economic reforms underway" in those countries.

Before the coup collapsed, Romania, which neighbors the Soviet Union, had slammed it "as a sign of the tendencies toward restoring totalitarian methods, putting into jeopardy democratic values, individual liberties, and the freedom processes themselves."

It pledged to stand against any antidemocratic revolution "even if this means costing Romania certain sacrifices."

In the wake of the Soviet coup, some Western European government officials and opinion leaders have begun calling for greater economic assistance to the formerly communist European countries and for their speedier assimilation into the European Community.

Resumption of Aid Announced

OW2208122091 Tokyo KYODO in English 0933 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 KYODO—Japan has decided to resume economic assistance to the Soviet Union in the wake of the failed coup attempt by hard-liners in the Communist Party, the government spokesman said Thursday.

Chief Cabinet Secretary Misoji Sakamoto announced the measure, which took effect the same day, at a regular press conference.

Prime Minister Toshiki Kaifu announced Tuesday, one day after right-wing leaders in the Soviet Communist Party, the military, and the security forces had seemingly toppled President Mikhail Gorbachev, that Japan would freeze economic assistance to the Soviet Union, including 100 million dollars in loans by the Export-Import Bank of Japan to help Moscow buy emergency food.

Japan also plans to boost its contacts with the Russian Federation following President Boris Yeltsin's display of strength in foiling the attempt to overthrow Soviet President Mikhail Gorbachev, Sakamoto said.

"The Soviet Union remains our point of entry, but Russian Federation President Yeltsin's influence has swelled," Chief Cabinet Secretary Sakamoto said.

He said Japan intends to increase contacts with Russia, the largest of the Soviet Union's 15 republics, and cited the territorial dispute as one area for more discussions. Japan maintains that it cannot conclude a peace treaty with the Soviet Union unless the two countries first resolve a dispute over four islands off Hokkaido, occupied by the Soviet Union since World War II.

Sakamoto said he expects perestroyka reforms to proceed more rapidly in the wake of the failed three-day coup attempt, but said Japan has no plans to change its cautious position on providing financial assistance.

Quoting U.S. Secretary of State James Baker, he said it would not be effective to sign a blank check for the Soviet Union.

Japan has also said that it cannot provide large amounts of aid unless the territorial dispute is resolved.

Further on Aid

OW2208112891 Tokyo KYODO in English 1043 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 KYODO—Japan has resumed plans to provide economic assistance to the Soviet Union, but government sources said Thursday they remain cautious about doing it too quickly in the aftermath of the failed hard-line coup in Moscow.

Among such assistance is 100 million dollars in Export-Import Bank emergency loans pledged earlier to the Soviets for food purchases.

Chief Cabinet Secretary Misoji Sakamoto said at a press conference the government has decided to resume economic assistance, frozen in the wake of the right-wing coup led by conservatives that took power Monday, temporarily ousting President Mikhail Gorbachev.

Government sources said Tokyo is ready to resume technical support as agreed at the July economic summit meeting of the Group of Seven (G-7) industrial nations, but noted there would be close consultation with other G-7 nations before acting on any other aid packages.

A Foreign Ministry source suggested Tokyo not come up with any specific plans on economic assistance to the Soviets until Koji Watanabe, deputy foreign minister in charge of economic affairs, returns home after his mission to other G-7 nations for talks on the Soviet crisis.

"We must find who will finally take power in the Soviet Union after the failed coup" before resuming economic support, the source said.

A source at the Finance Ministry, a principal opponent of financial aid to the Soviet Union, said there is no change in Japan's policy in this area.

"We couldn't go on with financial aid before finding who is responsible for receiving it," the source said.

Japan has opposed providing massive financial aid because of its long-standing territorial dispute with Moscow over four islands off the northernmost main island of Hokkaido.

Some G-7 nations, such as Germany and France, strongly advocate increased aid to the Soviets and could press their case more urgently following the victory of Russian Federation President Boris Yeltsin and other reformists.

British Prime Minister John Major said Thursday that Western nations "have to take stock of the present situation" in Moscow before deciding on any aid packages, adding, "We will want to look again" at the question of aid.

Some government sources said Japan might be forced to shelve its tough stance on financial aid given the likelihood of renewed calls among other G-7 nations for more assistance.

Kaifu Pledges 'Strong Support'

OW2208043091 Tokyo KYODO in English 0341 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 (KYODO)—Prime Minister Toshiki Kaifu pledged strong support for reinstated Soviet President Mikhail Gorbachev on Thursday as Japan moved to unfreeze aid programs put on hold in the wake of Monday's coup.

Heartily welcoming Gorbachev's return to power, Kaifu immediately urged the Soviet leader to apply his brand of progressive diplomacy, now most evident in Europe and the west, to the Asia-Pacific region as well.

"I hope that the restoration of President Gorbachev will ensure the implementation of perestroika and new-thinking diplomacy on a global level," Kaifu told the House of Representatives budget committee.

He said he intends to esblish contact with the "new Soviet leadership" at appropriate levels.

Kaifu expressed his hope that progress would be made toward establishing a Japanese-Soviet peace treaty but declined to respond to an opposition party question about whether the coup had improved chances of sorting out a four-decade old territorial dispute.

Japan maintains that it should have sovereignty over four islands east of Hokkaido held by the Soviet Red Army since World War II. The Japanese Government says dispute must be resolved prior to concluding a peace treaty with the Soviet Union.

Chief Cabinet Secretary Misoji Sakamoto said at a news conference that Japan is prepared to release 100 million dollars in loans for emergency food purchases, as well as promote technical and personnel exchanges as soon as conditions in the Soviet Union return to normal.

In seperate remarks to reporters, Kaifu also said aid would be released but he said Japan intends to wait until the new Soviet leadership is firmly established.

Kaifu announced the aid freeze Tuesday, the second day of the three-day coup attempt.

Sakamoto said Japan also plans to discuss boosting assistance for economic reform with other Group of Seven (G-7) industrialized nations.

He suggested further aid would be the focus of talks between Deputy Foreign Minister Koji Watanabe, who left for Europe and the United States on Wednesday on a trip originally planned in response to the coup.

U.S. President George Bush said in a phone conversation with Kaifu that he expects the Soviet Union to move forward under the guidance of Gorbachev and Russian Federation President Boris Yeltsin because there is now less chance of trouble between Gorbachev and hardline military leaders a Foreign Ministry official said.

Yeltsin has called for legal action against the eight leaders who attempted to usurp power.

Bush, in his second telephone converation with Kaifu since the coup attempt Monday, said he regarded Japan as an important player in responding to the crisis, the official said.

Kaifu praised the U.S. President for his leadership in guiding international opinion against the coup.

Kaifu Welcomes Gorbachev Return

OW2208013991 Tokyo KYODO in English 0050 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 (KYODO)—Prime Minister Toshiki Kaifu on Thursday morning welcomed the dramatic return of Soviet President Mikhail Gorbachev to Moscow following the unsuccessful coup attempt by communist hardliners.

In a statement, Kaifu expressed his high expectations of further implementation of Gorbachev's "new thinking diplomacy" and that it would pave the way for the improvement of Japan-Soviet relations.

Kaifu also said in the statement that he respects Russian Federation President Boris Yeltsin and Soviet people for their determination and courage in fighting for liberty and democracy.

Kaifu Issues Statement

OW2108174891 Tokyo KYODO in English 1706 GMT 21 Aug 91

[Text] Tokyo, Aug. 22 KYODO—Prime Minister Toshiki Kaifu said Thursday that Japan welcomes the fact that the situation in the Soviet Union is heading toward restoration of constitutional order.

Kaifu said in a statement that he expects the fight by the Soviet people for justice will eventually succeed.

"Although the situation is still fluid, I welcome the fact that things are apparently heading toward restoration of constitutional order through the courageous resistance of the people and through strong international criticism," Kaifu said.

"I respect the determination and courage of the Soviet people who are fighting for peace and democracy and expect their fight for justice to succeed," he said.

Japan has strongly criticized a series of measures by the Soviet hard-liners in taking power from President Mikhail Gorbachev, such as the declaration of a state of emergency and the use of force by Soviet troops.

These things are inconsistent with the principles of democratic process, Kaifu said.

Keizo Obuchi, secretary general of the ruling Liberal Democratic Party, also welcomed the failure of the coup.

"I think perestroyka and glasnost brought in by President Gorbachev resulted in the settlement of the situation by democratic procedures. I welcome it," Obuchi said.

The government expects the trend for reform will gather momentum following the apparnt failure of the coup by hard-liners, government sources said.

"The perestroyka implemented by the Gorbachev government has not achieved enough success, but resulted in changing the consciousness of the Soviet people, leading them to reject reversion to the conservatism that existed in the (late Soviet leader Leonid) Brezhnev era," one Foreign Ministry source said.

Ministry sources said the centralizing force of Russian President Boris Yeltsin, who holed up in the Russian Parliament building to confront the Armed Forces, will increase further and cast doubts on whether Gorbachev's power base will stabilize even if he returns to power.

Impact on Okinawa Viewed

OW2108101691 Naha RYUKYU SHIMPO in Japanese 21 Aug 91 Morning Edition p 2

[Text] Regarding the possible impact on the program of improving and reducing U.S. military bases on Okinawa that may be caused by the political changes in the Soviet Union, the Foreign Ministry's North American Affairs Bureau Director-General Matsuura stated his views: "We cannot but feel that there will be changes" to the second and later stages in the program of reducing military strength "within the strategic framework of the Asian- Pacific region." This was the first remark made by a high-ranking government official concerning the possible influence of the Soviet political changes on the U.S. strategy and its military bases in Okinawa. Director Matsuura made these remarks in reply to questions by Kosuke Uehara, member of the House of Representatives [from Okinawa].

Furthermore, in connection with the fact that functions of the Okinawa bases have been strengthened as a result of the closure of Clark Air Base in the Philippines, Mr. Uehara made the following requests: 1) Investigations should be conducted into the fact that C-141 transport planes have been transferred recently from Clark Air Base to Kadena Air Base, and also into future transfer plans, and the results of the investigation should be made public; and 2) the transferred units should be withdrawn immediately, and future transfer plans should be rejected. In reply, Director Matsuura said: "I have been informed that the transfer will last only temporarily. I am not aware how long it will last, though."

Maintaining that if units should be transferred without any time limit, the transfer will become a constant practice, Mr. Uehara strongly requested that a definite time limit should be set. In response, Director Matsuura promised that the request would be referred to the U.S. side, and that the details would be announced as soon as they become clear.

Business Leaders Welcome Coup Failure

OW2108183291 Tokyo KYODO in English 1447 GMT 21 Aug 91

[Text] Tokyo, Aug. 21 KYODO—Japan's business community Wednesday night welcomed the reported failure of a coup that toppled Soviet President Mikhail Gorbachev on Monday.

Business leaders, while still concerned over the future of the Soviet Union said in unison the latest developments would help perestroyka economic restructuring "take a firm root."

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), said it is necessary to ascertain if Gorbachev is safe and sound.

But he quickly added the fading of the Soviet crisis has made it clear "perestroika has met with opposition only from some privileged military and KGB leaders."

Takeshi Nagano, president of the Japan Federation of Employers' Associations, said he was pleased to hear the Soviet crisis had started heading for a settlement.

"Japan needs to help the Soviets press ahead with economic reforms while closely watching future developments," he said.

Akira Miki, chairman of Nippon Steel Corp., forecast Gorbachev will restore his power base. Japan should extend "all-out cooperation" for democratization of the country.

Ken Moroi, chairman of Chichibu Cement Co., said the conservatives in the Soviet Union will be entirely destroyed.

Firms Eager To Restart Trade

OW2208103691 Tokyo KYODO in English 1005 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 KYODO—Japanese companies are moving to resume trading with the Soviet Union following the failure of the hard-line communist coup d'etat, industry sources said Thursday.

The companies are focusing attention on how the Soviet political confusion will be settled or how President Mikhail Gorbachev will continue his economic reforms.

The sources said there are widespread expectations the Soviet Government will expedite its economic reform programs following the victory of democratic forces.

The sources said Japanese industries expect financial aid from the government to do ahead with large trade and resources development projects in the Soviet Union.

Officials at Sumitomo Corp. said the major trading company had been unable to make contact with Soviet enterprises for three days amid the political turmoil.

The confusion forced C. Itoh and Co., another trading giant, to suspend export shipments to the Soviet Union temporarily.

However, C. Itoh said it is resuming shipments following the coup failure.

Many Japanese executives are optimistic about Japan's economic relations with the Soviet Union.

Akira Miki, chairman of Nippon Steel Corp., predicted the Soviet economy will improve in the long range, despite a temporary confusion.

Susumu Terada, executive director with the trading company Nissho Iwai Corp., forecast Japanese-Soviet business relations will return to normal.

There are a number of pending trade issues between Japan and the Soviet Union, especially Soviet nonpayment for Japanese exports.

The amount due Japanese companies for steel and other exports has already exceeded 500 million dollars, according to one estimate.

The Ministry of International Trade and Industry (MITI) has suspended trade insurance for deals of over 500 million yen with the Soviet Union.

Japanese exports to the country are possible only with advance Soviet payments or letters of credit opened.

Soviet Sailor Missing After Ship Leaves

OW2208001091 Tokyo KYODO in English 1323 GMT 21 Aug 91

[Text] Yokohama, Aug. 21 KYODO—A crew member of a Soviet ship went missing Wednesday immediately before it sailed out of Yokohama Port, police said Wednesday.

The sailor, a radio engineer, left the passenger ship rus shortly before it set sail, telling colleagues he was going ashore "to buy an ice cream," police said.

The 12,798-ton ship left the port and headed for Vladivostok later in the day without the engineer, who police have declined to identify.

They said they have not had any direct contact with the sailor, adding they are trying to confirm reports he may have been taken into custody by immigration authorities.

The sailor disappeared several hours after it was reported four Muscovites were killed as a column of Soviet tanks tried to break through the barricades of the Russian parliament, where Russian Republic President Boris Yeltsin and other republic leaders are holed up.

The passenger ship sailed into Yokohama on August 19, the day news broke out that hardliners had overthrown President Mikhail Gorbachev and declared a state of emergency.

Meanwhile, visiting officials from Leningrad appealed for the government and public to back up the Soviet people's "fight to defend freedom."

"We are fighting for freedom and call for Japanese support. The committee for the state of emergency led by Vice President Gennadiy Yanayev is illegal without its basis in the Soviet constitution," said Aleksandr Boriak, the city's international relations bureau chief.

In Leningrad, some 200,000 citizens took to the streets in defiance of the ban on demonstrations issued by the ruling emergency committee.

The city officials are visiting to attend an international conference on peace in Yokohama, starting August 23, with representatives of 42 cities from 26 countries attending.

Meanwhile in Hiroshima, a civic group supporting the radiation victims of the 1986 Chernobyl nuclear disaster said the coup has forced them to put off an investigative delegation to the contaminated area.

The civic team planned to depart for the Soviet Republic of Belorussia, starting August 28.

The delegation's plan to take medical equipment and medicine to victims of the accident while investigating damage to the health of residents who live or used to live in the area surrounding the reactor.

Foreign Minister Invited To Visit Cambodia

OW2208140791 Tokyo KYODO in English 1335 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 KYODO—Foreign Minister Taro Nakayama has been invited to visit the Cambodian capital of Phnom Penh to attend the opening of the Headquarters of the Supreme National Council (SNC) in late November, Foreign Ministry sources said Thursday.

The sources said Nakayama is among the foreign ministers of seven countries invited to the ceremony by resistance leader Prince Norodom Sihanouk, chairman of the SNC, and Hun Sen, prime minister of the Vietnamese-installed Phnom Penh Government.

The SNC is Cambodia's sovereign reconciliation body, formed after this year's ceasefire in the 12-year-old civil war and effective until general elections are held.

Phnom Penh Radio announced last Friday the SNC's decision to extend invitations to Japan, China, Indonesia, Thailand, France, Australia, and North Korea—all countries that have decided to establish permanent representation in Phnom Penh once the SNC office is established.

The broadcast said French Foreign Minister Roland Dumas had indicated he would accept the invitation. Meanwhile, a Thai Foreign Ministry source said last Saturday that Foreign Minister Asa Sarasin will also go.

The Japanese Foreign Ministry sources also said Nakayama intends to propose Sihanouk be invited to a meeting of Asian foreign ministers next month in New York during the opening of a United Nations General Assembly session.

Japan and Indonesia cohosted such a meeting last year and will likely do the same again this year, the sources said.

"If there is such an occasion, it seems quite natural for the foreign minister to invite Prince Sihanouk, perhaps as a guest of honor, as the Cambodian issue is an important item for discussion," said one source.

The ministry also has plans to invite Sihanouk to Tokyo, perhaps before the SNC opens its headquarters in November. Sources have said Hun Sen might accompany the prince to Tokyo as part of an SNC delegation.

Bank of Japan Considers Discount Rate Cut

OW2108084891 Tokyo KYODO *in English 0541 GMT 21 Aug 91*

[Text] Tokyo, Aug.1 KYODO—Continued slowdowns in Japan's economic growth could lead to another reduction in the official discount rate, Bank of Japan Governor (BOJ) Yasushi Mieno indicated Wednesday.

Mieno said the central bank has such an idea "in sight" while replying at the House of Representatives budget committee to questions from ruling Liberal-Democratic Party (LDP) member Toshio Yamaguchi.

He added that the central bank is closely watching effects of the most recent discount rate cut.

On July 1 the central bank cut its key rate, used to lend money to commercial banks, by half a percentage point to 5.5 percent per annum.

There is a growing market expectation that the BOJ will reduce the rate by an additional half a percentage point this autumn and yet another half a point by the end of the year.

Mieno also said there are no problems with Japan's economic health, despite the growth slowdown. He said capital spending and consumer spending remain active.

Asked about foreign exchange and stock market turmoil created by the Soviet political situation, Mieno said the central bank will exercise utmost caution in dealing with those problems.

Governor Remarks on Rate Cut

OW2108120991 Tokyo KYODO *in English 1010 GMT 21 Aug 91*

[Text] Bank of Japan [BOJ] Governor Yasushi Mieno on Wednesday threw cold water on burgeoning speculation about another cut in the official discount rate, claiming the Japanese economy is not losing steam.

Mieno told a press conference that there has been no change in the central bank's monetary stance since it lowered the discount rate on July 1, and it will retain a "cautious policy," while monitoring the effect of the cut in the key interest rate.

Mieno denied that he meant the BOJ has a cut in the benchmark rate in mind, as reported, when he answered questions at a Diet committee earlier in the day.

He said he intended to say that the central bank has the financial hardships of small companies and other factors "in sight."

Some of the press, reporting Mieno's remarks at the House of Representatives Budget Committee, said Mieno suggested a cut in the official discount rate could be imminent.

The BOJ lowered the official discount rate by 0.5 percentage point to an annual 5.5 percent on July 1 to sustain the momentum of economic growth.

But speculation has been growing in financial markets that another cut is in the offing as the stock market, plagued by constant financial scandals, is unstable, thereby threatening corporate investment in plants and equipment.

Mieno said the Japanese economy is gradually slowing down, and price trends and the labor market have slightly eased.

But he added, "the current level is still by and large tight."

The central banker also said corporate capital spending and personal consumption, the two main driving forces of the economy, are not as strong as they used to be, but remain on a firm footing.

As a whole, "there is little possibility that the Japanese economy will take a major downturn," he said.

On the inflation front, Mieno said while wholesale prices show a downtrend, as demonstrated in the July figure, which showed the first annual increase rate below 2.0 percent since last October, consumer prices have resisted falling.

With upward pressure from a tight labor market remaining, "we cannot be unreservedly optimistic" about prices, he said.

The central bank's monetary stance is the same as at the time of the latest rate cut.

Asked about the faltering stock market, Mieno said weak stocks alone cannot affect the BOJ's policy.

He stressed that monetary stance is formulated by a "comprehensive judgment" on all aspects of the economy.

Mieno also said falling short-term rates are just a consequence of the July rate cut.

However, he said the stock and exchange markets, which were battered by the coup in the Soviet Union, require close observation.

Both markets have recoverd from the immediate shock of the overthrow of Soviet leader Mikhail Gorbachev on Monday, and have begun to regain stability in the last two days, but it is too early to feel reassured, he said.

But he added that the coup and subsequent political confusion in the Soviet Union are unlikely to have a major negative impact on the Japanese or world economies.

If, however, the turmoil continues for long, it will eventually affect the "business mind" in the West, he said.

Mieno also said the recent rate hike by Germany and the easing of credit in the U.S. do not suggest that the monetary policy coordination among group of seven industrial countries has been eroded.

The two countries were just responding to different economic conditions at home, and that is exactly what the recent G-7 statements said they would do, Mieno said.

Governor Says Bank Considers Investigation Change

OW2108234791 Tokyo KYODO in English 1047 GMT 21 Aug 91

[Text] Tokyo, Aug. 21 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said Wednesday the central bank is reviewing the modus operandi of its investigations into financial institutions with an eye to making them more effective.

Mieno told a press conference the BOJ is rethinking the method of its investigations, which are conducted roughly once every two years, in the wake of recent scandals involving banks and brokerages.

He said new ideas about strengthening the probes will be put into practice piecemeal as soon as they are decided upon.

Although it is desirable the central bank's manpower for such investigations be increased, it is practically difficult to achieve, Mieno said.

The BOJ conducts investigations into the operations and assets of about 650 financial institutions, including banks, securities companies, and government financial organizations.

The investigations are focused on various risks in financial businesses, such as in credit, prices, interest rates, and exchange rates, and aim at providing advice to the institutions.

As the Japanese financial markets are becoming increasingly liberalized and internationalized, such risks are expanding both in variety and magnitude.

The BOJ carried out such investigations into the tokyo branch of the troubled Bank of Credit and Commerce International (BCCI) last month.

Bank To Take Measures Against Bond Problems

OW2208064891 Tokyo KYODO in English 0522 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 (KYODO)—Bank of Japan Governor Yasushi Mieno said Thursday the central bank is ready to take measures against possible problems linked to massive redemptions of equity-linked corporate bonds due in 1993.

Speaking before the House of Representatives Budget Committee, the central bank chief said he believes that such redemption costs will not have any significant impact on corporations in light of their high corporate liquidity levels and sound financial positions.

Nevertheless, Mieno said, the central bank is ready to take appropriate measures in this regard as it is not sure what will happen regarding redemptions of corporate equity-linked bonds.

Mieno's remarks came as financial circles grew apprehensive [words indistinct] the concentration of redemptions in 1993 would cause difficulties for corporations in raising funds for such redemptions.

In other testimony by financial regulators before the committee, a senior Finance Ministry official said the ministry will investigate trading in an equity-purchase warrant bond issued by Japan Airlines Co. in April last year to find whether there was any unfair practice such as insider trading involved.

Nobuhiko Matsuno, director general of the Finance Ministry's Securities Bureau, made the remark in answering a question by an opposition lawmaker over a sudden rise in the price of the warrant bond in April last year.

Shozo Kusakawa, a lower house member of Komeito, the second-largest opposition party, alleged that the sudden price increase might have been caused by inside information, citing the fact that the price jumped to 28 points from 19 points April 24, 1990.

In a separate disclosure, Finance Minister Ryutaro Hashimoto acknowledged that the Nagoya Stock Exchange had made political donations several times to a political group linked to the ruling Liberal Democratic Party.

According to Hashimoto, the exchange donated 150,000 yen in political funds to the Kokumin Seiji Kyokai every year from 1976 until 1987, 190,000 yen in 1988, and 180,000 yen in 1989.

Hashimoto said a stock exchange should refrain from doing anything that might undermine public confidence as its aim is to maintain fairness in stock trading, although stock exchanges are not banned from making political donations under law.

Hashimoto added that he received a report from the exchange promising not to make political donations any more.

Further on Revelations From Securities Scandal

OW2108085291 Tokyo KYODO in English 0600 GMT 21 Aug 91

[Text] Tokyo, Aug. 21 KYODO—Nomura Securities Co. had actively bought Tokyu Corp. shares to support the cornering of the shares by a former underworld boss, an expert on the stock market told a Diet committee Wednesday.

Hiroshi Ura, 66, told the House of Representatives budget committee that a Nomura official told him this in a telephone conversation in November 1989.

Ura, appearing as a special witness before the committee probing the series of scandals in the securities and banking industries, said he called the Nomura official to ask him about the unusually active trading of the Tokyo railway company's shares on the Tokyo Stock Exchange (TSE).

He did not identify the Nomura official.

Nomura, Japan's largest brokerage, is suspected of stock manipulations regarding the Tokyu stock, whose price rose to abnormally high levels on the TSE in 1989.

Susumu Ishii, a retired organized crime figure, allegedly made massive purchases of the Tokyu stock through Nomura and Nikko Securities Co.

Compensation Details Revealed

OW2008233391 Tokyo KYODO in English 1310 GMT 20 Aug 91

[Text] Tokyo, Aug. 20 KYODO—The Finance Ministry disclosed Tuesday details of loss compensation for favored clients by brokerages, vowing it will consider tightening controls on portfolio trading.

Nobuhiko Matsuno, director general of the ministry's Securities Bureau, gave details at a meeting of the House of Representatives Budget Committee on 21 brokerage houses which reimbursed a total of 172,886 million yen to favored corporate and individual clients from 1987 to 1989.

He said 17 of the 21 brokerages reimbursed a total of 82.8 billion yen for clients after the ministry issued a directive banning loss compensation in December 1989.

In addition, he said, securities companies voluntarily reported to the ministry they reimbursed selected clients with a total of 106.4 billion yen in the year ended March 1990.

Matsuno said compensation amounting to about 105.8 billion yen or 61.2 percent of the total was made by using a 2 percent gap between selling and buying prices in personal, day-to-day government bonds transactions and bonds with warrants to purchase new shares.

He said about 40.4 billion yen or 23.4 percent in reimbursements came from profits made in dealings for brokerages' own accounts and about 16.4 billion yen or 9.5 percent was made from gains in cross trading.

About 4.1 billion yen or 2.4 percent of the total reimbursements came from allotments of newly-issued convertible bonds and warrant bonds, and about 5.8 billion yen or 3.4 percent was paid in cash, he added.

Kazutomo Ijima, director general of the Justice Ministry's Criminal Affairs Bureau, told the same session the ministry will soon launch an investigation into a petition filed by shareholders of two brokerages, including Nomura Securities Co., seeking prosecution of executives for an alleged breach of trust.

Finance Minister Ryutaro Hashimoto earlier told the session the ministry will consider revamping the Securities and Exchange Law to curb stock price manipulation.

Hashimoto also said the ministry will instruct banks to strengthen their own inspection systems to prevent further irregularities.

The committee met to discuss ways of reforming the financial industry to prevent a recurrence of scandals involving brokerages and banks.

Hashimoto expressed regret that brokerage houses continued to provide compensation for clients in disregard of the ministry's directive.

He said there is no alternative to revising the law to enforce a ban on loss compensation since the ministry's directive was treated lightly.

The existing law prohibits stock price manipulation, and violators are liable to up to three years' jail or a fine of up to 3 million yen, but the law does not specifically define such acts, and is seldom used.

Bankers Plan Measures

OW2108055691 Tokyo KYODO in English 0830 GMT 20 Aug 91

[Text] Tokyo, Aug. 20 KYODO—The Federation of Bankers Associations of Japan is drawing up a set of measures to reduce the risk of banks getting involved in scandals like those recently rocking the Japanese financial industries, Kenichi Suematsu, head of the federation, said Tuesday.

The measures, intended as a model for banks, are focused on better management of office work and legal aspects of banking business, he said.

"While each bank is conducting a sweeping review of its management system, we would like to present our own ideas on such measures to the member banks as a model," he said.

Suematsu also said the current weak stock market is putting a big sqeeze on commercial banks' lendings.

He said if the Nikkei average is at the 23,000 yen level, Japan's top six banks can increase their loans by only 0.1 percent if they want to keep an 8.5 percent capital-to-assets ratio.

The bank for international settlements requires international banks to achieve 8.0 percent capital-to-assets ratio by March 1993.

Suematsu said the ratio among the six banks falls 0.25 percentage points with every 1,000 yen drop of the Nikkei.

The Nikkei index closed at 21,687.06 Tuesday.

He suggested if the current feeble market continues, Japanese banks' lending will remain restricted.

Japanese banks are already cautious about expanding their loans due to the capital adequacy targets.

The annual growth rate in Japanese bank lending slowed to a record low of 6 percent in July.

Association Supports Watchdog Group

OW2208110191 Tokyo KYODO in English 0805 GMT 22 Aug 91

[Text] Fujiyoshida, Yamanashi Pref. Aug. 22 KYODO—The head of one of the nation's four major business groups Thursday called for the creation of an independent watchdog body similar to the U.S. Securities and Exchange Commission to prevent a repeat of the recent brokerage scandal.

Takeshi Nagano, president of the Japan Federation of Employers' Associations (Nikkeiren), said his organization will appeal to three other major business groups for taking joint action on setting up such an agency independent of the Finance Ministry.

Nagano added, however, his group will closely follow discussion made before a special government panel, the ad hoc commission on administrative reform, on this subject.

Nagano was speaking at a press conference to wrap up a three-day summer business seminar in this summer resort town.

The three other groups are the Federation of Economic Organizations (Keidanren), the Japan Chamber of Commerce and Industry, the Japan Association of Corporate Executives (Keizai Doyukai).

Among these business organizations, Keidanren and Keizai Doyukai officials have proposed establishing a new agency that supervises the securities industry, but Nagano was first to call for a watchdog body independent of the Finance Ministry.

The Finance Ministry now supervises the securities industry through its Securities Bureau, but has been under fire for its lax regulation regarding the brokerage payback scandal.

Defense Agency Decides on Increased Budget Bid

OW2208122391 Tokyo KYODO in English 1128 GMT 22 Aug 91

[Text] Tokyo, Aug. 22 KYODO—The Defense Agency decided Thursday to request a 4,622 billion yen budget for Fiscal 1992 starting next April, an increase of 5.38 percent over the initial defense budget for the current fiscal year.

Of the total, agency officials said, appropriations for personnel and food expenses for the Self-Defense Forces (SDF) account for 1,859.9 billion yen and those for procurement of equipment 2,762.2 billion yen.

Of the budget for equipment procurement, 1,006.5 billion yen will be earmarked for front-line equipment, down 4.8 percent from Fiscal 1991, and 1,755.6 billion yen will be appropriated as expenditures for support operations, up 11.7 percent.

The support operation expenditures include 207 billion yen in expenses for the construction and renovation of living quarters for the SDF personnel, up 32 percent, to recruit more young Japanese into the forces.

The agency plans to allocate 1,641.7 billion yen to the Ground Self-Defense Force (GSDF), up 5.0 percent, 1,128 billion yen budget to the Maritime Self-Defense Force (MSDF), up 3.9 percent, and 1,173.3 billion yen to the Air Self-Defense Force (ASDF), up 4.9 percent.

The GSDF's request for equipment procurement for the first time include nine units of the U.S.-made multiple launch rocket system (MLRS) for 24.1 billion yen and 28 Type-90 tanks for 30.6 billion yen.

The agency plans to procure two destroyers at 147.8 billion yen and two American P-3C antisubmarine patrol aircraft at 23.4 billion yen for the MSDF.

As for the ASDF, the agency will request purchases of 11 F-15 fighter aircraft for 113.7 billion yen and three Patriot surface-to- air missiles for 103.8 billion yen.

A total of 202 6 billion yen will be requested for the cost for maintenance of U.S. forces stationed in Japan, up 14 percent.

Cattle Breeder To Cease Importing Foreign Beef

OW2108050591 Tokyo KYODO in English 0250 GMT 21 Aug 91

[Text] Tokyo, Aug. 21 KYODO—A major cattle raiser, Shinmei Breeders Co., will stop importing foreign beef because Japan's total liberalization of beef imports has brought competition to an unbearable level, company officials said Wednesday.

The Tokyo-based company will terminate beef-importing contracts it has with producers in the United States and Canada, and focus on domestic production, they said.

April's scrapping of Japan's long-standing ban on beef imports attracted many entrepreneurs to enter the meat-importing business, resulting in a massive oversupply and lower prices, the officials said.

"While overseas production is costly, our selling prices are falling. How can we make ends meet? Everybody in our business is under pressure," a Shinmei Breeders official said.

The company, with about 70 cattle-raising stations across the country, has imported on a trial basis some 1,000 beef carcasses from producers in the U.S. and Canada over the last three years.

Now, officials said, it will put more emphasis on producing domestically. The company plans to open a cattle-breeding station in Shimane Prefecture, western Japan, in October to breed cattle for "wagyu," or Japanese beef, regarded in Japan as tenderer and tastier than the foreign product.

Mongolia

Ochirbat Comments on Events in Soviet Union

OW2208051291 Ulaanbaatar MONTSAME in Russian 1814 GMT 20 Aug 91

[Text] Ulaanbaatar, 20 Aug (MONTSAME)—In an interview with representatives of the media P. Ochirbat, president of the MPR [Mongolian Peoples' Republic], said that the stability of the internal political situation in the Soviet Union is of enormous significance for the international situation as well as for universal peace and cooperation. The political, social, and economic life of the Soviet state, P. Ochirbat noted, especially influences such a small country as Mongolia which shares a border with it.

P. Ochirbat expressed confidence that the Soviet Union will continue its course of deep renewal of society. He said that the solution of complex problems which the Soviet Union is encountering should be reached through dialogue and agreement, and should reflect the aspirations of the USSR peoples and the peoples of neighboring countries.

The MPR president stressed that bilateral development of good-neighborly relations and cooperation with the Soviet Union will remain the principal course of our country.

We have taken into consideration the Soviet side's announcement that it will resolutely carry out its responsibilities undertaken by it in international agreements, and we will apply all efforts to fulfill our responsibilities to strengthen economic ties between both countries.

Today as never before, it is important that all powers of democracy and social renewal work together in solving key problems in the life of the country, uniting the efforts of the people and working together with the state and the government to overcome difficulties. The process of renewal in our country is based on the creation of national unity. This guarantees success, President Ochirbat said in conclusion.

Asia-Pacific Regional Conference Opens

OW2208093091 Ulaanbaatar MONTSAME in Russian 1812 GMT 20 Aug 91

[Text] Ulaanbaatar, 20 Aug (MONTSAME)—At the opening of the International Conference "China in the Asia-Pacific Region," H. Ayuurdzana, President of the Union of Mongolian Sinologists said: Our conference is unique because it is taking place during a period of ascendancy in Mongolian-Chinese relations and on the eve of the PRC chairman's visit to our country.

The conference, attended by scientists from the United States, Soviet Union, South Korea, Taiwan, China, Japan, and MPR [Mongolian Peoples' Republic], is discussing the state of international relations in the Asia-Pacific Region, as well as [words indistinct] and others.

Today's changing China rouses the attention of the whole world. In line with this, the policy and activities conducted by our state are also the focus of attention of the Asia-Pacific region countries, and the whole world, H. Ayuurdzana said in his speech.

North Korea

Reportage on Developments in USSR's Situation

Gorbachev 21 Aug Statement

SK2208032791 Pyongyang Korean Central Broadcasting Network in Korean 0300 GMT 22 Aug 91

[Text] Gorbachev has released a statement. According to a TASS report, Soviet President Gorbachev released a statement yesterday over the Central Television Broadcasting Station. In the statement, he said that he had taken full control of the situation in the country and recovered his severed ties with the state. In the statement, he also said that he would begin to completely fulfill his duty as president in 24 hours.

Defense Ministry Withdraws Troops

SK2208040391 Pyongyang Korean Central Broadcasting Network in Korean 0300 GMT 22 Aug 91

[Text] According to yesterday's TASS report, the Soviet Defense Ministry has decided to withdraw military units from places that have been in a state of emergency. The news agency reported that a news conference at the Soviet Defense Ministry said that the Soviet Defense Ministry Council deliberated on the situation, which has been promoted as a result of the measures of the state of emergency, yesterday morning. The news agency also reported that the Soviet Defense Ministry Council had adopted the decision to withdraw military units from places in the state of emergency to their permanent bases.

Cabinet Obeys President's Orders

SK2208041091 Pyongyang Korean Central Broadcasting Network in Korean 0300 GMT 22 Aug 91

[Text] According to a report from TASS, on 21 August in Moscow, Vladimir Shcherbakov, Soviet first deputy prime minister, made public a Soviet Government statement.

The statement stated that the Soviet cabinet is loyally fulfilling the orders and decrees by the Soviet president and the Supreme Soviet.

The statement stated that the Soviet cabinet regards guaranteeing the law-abiding spirit in all spheres of social life and protecting the citizen's constitutional rights, freedom, and interest as its major task.

North-South Liaison Contact at Panmunjom 22 Aug

SK2208110591 Pyongyang KCNA in English 1050 GMT 22 Aug 91

[Text] Panmunjom August 22 (KCNA)—A contact between the chief liaison officials of both sides for the North-South high-level talks was held at the Tongil House in our side's portion of Panmunjom at 10. A.M. today. [sentence as received]

At the contact our side said that our anti-epidemic experts requested to take into consideration the visit to Pyongyang of members of the South side, expressing apprehensions over the situation of South Korea where cholera is spreading.

Noting that the South side is responsible for making it impossible to hold the talks in Pyongyang as scheduled, our side said: The South side's refusal to accept our sincere proposal to hold the talks at Panmunjom at scheduled date shows that it has no intention to hold the high-level talks.

Our side repeatedly and strongly called for shifting only the venue of the fourth round of the North-South high-level talks to the Tongil House in our side's portion of Panmunjom so as to lay no burden on both sides and holding it as scheduled in consideration of the request of our anti-epidemic experts.

The South side, however, doggedly refused to accept our sincere proposal, while recognizing the fact that cholera has broken out in South Korea and that the North side's proposal to shift the venue has some reason.

The chief liaison officials of the sides agreed to meet again in Panmunjom on August 23 to discuss the matter.

South Conducts Military Exercises on 16, 19 Aug

SK2108054091 Pyongyang KCNA in English 0437 GMT 21 Aug 91

[Text] Pyongyang August 21 (KCNA)—120 artillery carriages of the South Korean puppet army on August 19 threatened us, moving in a battle formation from Chongok-ri, Yonchon County toward the Military Demarcation Line [MDL], according to military sources.

Earlier, on the 16th, 105 mm artillery units took position near Chongja-ri, Paju County and fired more than 100 shells at random into a spot near the MDL.

On the same day, the puppet army's heavy tanks, deployed around Kumpa-ri, Paju County, fired a volley of some 50 shells while moving in the direction of the MDL.

In a separate action, on the 19th, armed bandits of the puppet army thronged into Chakdong-ri, Yonchon County, and fired more than 80 12.7 mm machinegun bullets.

That day, formations of armed helicopters of the puppet army were hell bent on an aerial war game, making a hedgehopping in the sky above the MDL area from

Yonchon to Munsan. On the 16th, 6 armed helicopters repeatedly held aerial infiltration and take-off and landing exercises in the sky above Sangsa-ri, Cholwon County, to get on our nerves.

U.S., South Hold Military Exercises 20 Aug

SK2208052591 Pyongyang KCNA in English 0419 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—The U.S. Pacific Airforce Command staged massive joint strike exercises against the northern half of Korea in the sky above South Korea on August 20, according to military sources.

The exercises of surprise air attack, joint strike at ground targets, support to ground attack and support to naval attack staged that day in the skies above Oeyon Island, Kangnung, Uijongbu and Sosan were a dangerous play with fire aimed at increasing the strike capability against the northern half of Korea for a "case of contingency".

In a separate action, the South Korean puppets went mad in provocative ground and aerial war exercises in the areas near the Demilitarized Zone along the Military Demarcation Line [MDL], getting on our nerves.

On August 20, a group of 20 odd heavy tanks of the puppet army massed on the Panjong-ri line in Yonchon County threatened us moving on the road along the MDL at full speed under our eyes and another group of heavy tanks in Kumpa-ri, Paju County, intensively fired more than 50 shells, rapidly moving towards the MDL.

Meanwhile, bandits armed with 90 mm recoilless guns and 12.7 mm large-calibre machineguns thronged into Majon-ni, Yonchon County, and Nosang-ri, Paju County, and fired more than 300 shells and bullets. And armed bandits of the puppet army who took positions on the ridges of Hill 364 north of Chokgo-ri, Yonchon County, a nameless hill west of Chomwon-ri, Paju County, and a nameless hill northwest of Majon-ri, Yonchon County, fired at random more than 800 bullets of large-calibre machineguns and automatic rifles.

That day six armed helicopters of the puppet army sent to the skies above Paegnyon-ri, Paju County, and Yonchon area ran wild in a war game against the North, making ultra low flights.

The war planes mobilized in aerial war exercises and espionage in the sky above South Korea on August 20 totalled more than 600.

This proves that the U.S. imperialists and the South Korean puppets are hell bent on the provocation of a new war behind the curtain of dialogue.

South Accused of Deploying Weapons in DMZ

SK2208140591 Pyongyang Korean Central Broadcasting Network in Korean 1220 GMT 22 Aug 91

[Text] The South Korean puppets committed the hostile act of bringing heavy arms into the Demilitarized Zone [DMZ].

About 2120 on 21 August, the South Korean puppets secretly brought four armored cars into the DMZ 900 meters south of the Military Demarcation Line [MDL] marker No. 0135 in the western front. They deployed them in position and took a combat posture, thus committing an act of grave military provocation.

About 1115 on 21 August, the South Korean puppets brought a 90-mm recoilless gun to the military police guardpost in the DMZ south of the MDL marker No. 0982 in the eastern front and deployed it in a shooting position.

About 0900 on 22 August, ten puppet army armed rascals brought two 12.7-mm large-caliber machine guns into the DMZ 500 meters east of the MDL marker No. 0275 in the western front. They placed it in position and took a shooting posture at the DMZ police guardpost of our side, thus committing an act of hostility.

This is a wanton violation of the Armistice Agreement by the South Korean puppets, and an act of intentional provocation aimed at artificially aggravating the situation in the MDL area in general. The U.S. imperialists and the South Korean puppets should immediately withdraw all the heavy arms illegally brought into the DMZ.

Dissident Leader's Statements Published in South

SK2208124891 Pyongyang KCNA in English 1027 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—Song Kap-sok, fourth-term chairman of the National Council of Student Representatives of South Korea (Chondaehyop), in his final statement at the trial held on April 1 at the puppet Seoul District Criminal Court proved the justness of the Chondaehyop's struggle for independence, democracy and reunification and declared himself not guilty.

Song's statement in the court was carried by "Chondaehyop," a book published by the Tolbegae (Stone Pillow) Publishing House of South Korea.

Song Kap-sok said that he appeared in court for a mere reason that he, a student in a colony, wanted reunification and independence and earnestly desired democracy, above all.

Asking what are the honour, wealth and academic feats that could be achieved in the divided motherland, in this land which is occupied by the outside forces and where democracy is totally trampled down, Song said: I have proudly walked the road of students since I realized that my destiny and that of the motherland are one and the same.

The road of Chondaehyop was the road to be followed by youth and students.

Chondaehyop is not an organization "manipulated behind the scene" by a minority but an organization which is moved by the strength of one million students and their sense of justice for a patriotic road.

If Chondaehyop is orchestrated by an organization following "North Korea's" policy and line of "independence, democracy and reunification" as the prosecution alleged, how can the fifth-term Chondaehyop exist and [be] active when its chairman and hardcore members are in prison?

Chondaehyop proves with its own being that the "Chamintong case" is a far-fetched case entirely aimed at suppression.

The court demanded 10 years in prison for me. Even though I may die in prison, I will devote with pleasure my life if it accelerates the reunification of the country and brings about independence and democracy.

South Figures Cited for Praising Kim Chong-il

SK2208125391 Pyongyang KCNA in English 1033 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—South Korean people boundlessly envy the people in the North who are equally living a happy life, highly praising the exploits of leadership of the dear leader Comrade Kim Chong-il who has turned the North into a wonderful country good to live in.

A pressman surnamed Kim residing in Seoul said:

Mr. Kim Chong-il regards it as his first duty to satisfy people's desire and devotes his all to this end.

The grand edifices of eternal value built in the North today such as the West Sea barrage, the Grand People's Study House, the Pyongyang Maternity Hospital, the Mansudae Art Theatre, Kwangbok Street and the May Day Stadium of world's level are results of the energetic guidance of Mr. Kim Chong-il.

A worker Yun in Taegu told his friend: It is none other than dear Mr. Kim Chong-il who brings a bright smile and joy to all the people in the North. I wish the South, too, would be brought under his leadership at an early date."

A peasant in Kyonggi Province said: The North is an ideal socialist society. The fellow countrymen in the North live in an earthly paradise as General Kim Il-song, the sun of the nation, shapes the people-first policy, an embodiment of the chuche idea, and dear Mr. Kim Chong-il wisely leads them.

"Best is the guidance of the dear leader Mr. Kim Chong-il." "Mr. Kim Chong-il is a great man who, upholding the intentions of General Kim Il-song, has turned the North into an earthly paradise, a peach orchard behind misty hills good to live in".

Such voices lauding the leadership exploits of Comrade Kim Chong-il are ringing out louder from among the people of all walks of life in South Korea.

'Dangerous Nature' of U.S. Doctrine Viewed

SK2208131091 Pyongyang KCNA in English 1038 GMT 22 Aug 91

["Dangerous Nature of U.S. "New World Order" Doctrine"—KCNA headline]

[Text] Pyongyang August 22 (KCNA)—NODONG SINMUN in a by-lined article today deals with the dangerous nature of the United States' "new world order" doctrine.

The article brands a "new world order" which the U.S. ruling quarters are now prettifying as a world order strictly based on the U.S. interests, a reactionary system of domination under which the United States may rule the roost.

It quotes the great leader Comrade Kim Il-song as saying:

"There is no limit to the wild ambition and greed of imperialism."

The article reads in part:

The "new world order" doctrine is a product of the U.S. imperialists' unsatiated ambition for aggression and avarice.

The United States is dreaming of tailoring the world on the capitalist pattern through the establishment of a "new world order" and acting the "emperor" of it, subjugating other countries and nations and having everything their way.

The U.S. imperialists describe their "new world order" formula as a global strategy which they began to follow after the United States became the only superpower of the world thanks to their successful cold war policy.

The U.S."new world order" doctrine is a new line of confrontation they adopted against peace and socialism, independence and progress with a view to continually pursuing their dominationist ambition in changed form under the cloak of "detente."

It is a new crafty doctrine of aggression based on the high-handed nature and dominationist greed of the United States which gained strength from the socialist setbacks and the dissolution of the Warsaw Treaty Organization and became swelled-headed after the Gulf war.

The "new military strategy" noisily advertised by the United States is a military means of establishing a "new world order."

U.S. President Bush said the United States would focus on "nuclear deterrent force" in building armed forces.

Lurking behind the United States' "new military strategy" is a sinister intention to hasten the preparations for a new large-scale war.

The U.S. imperialists' "new world order" doctrine and "new military strategy" mean that their bellicose nature has become all the more crafty and vicious.

The sharp edge of their "new military strategy" is being directed at the Asian region, at Korea in particular.

It is the common view of the U.S. ruling quarters that the Korean peninsula would be a disputed area following the Gulf. The U.S. imperialists are trying to unleash another Korean war on the pretext of a "regional dispute."

It proceeds from this intention of the United States that they are resorting to threats and blackmail against the DPRK, raising a hue and cry over fictitious "developmnt of nuclear weapons" by it.

Japanese Lawyers, Officials Meet Kim Yong-sun

SK2008114191 Pyongyang KCNA in English 1044 GMT 20 Aug 91

[Text] Pyongyang August 20 (KCNA)—Kim Yong-sun, secretary of the C.C. [Central Committee], the Workers' Party of Korea, today met and conversed in a friendly atmosphere with the leading members of the delegation of Japanese lawyers and public figures who are defending the human rights of Korean residents in Japan headed by Rokuro Kitayama, ex-chairman of the Japan Lawyers Federation.

On hand was Yi Chol-sin, vice-chairman of the Korean Society for Cultural Relations With Foreign Countries.

Visit Kaesong, Panmunjom 21 Aug

SK2208050691 Pyongyang KCNA in English 0412 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—The delegation of Japanese lawyers and public figures who defend the human rights of Korean residents in Japan visited Kaesong Municipality on August 21.

The delegation held a demonstration supporting the independent and peaceful reunification of Korea.

Speaking before the demonstration, member of the delegation Kosuke Yazawa said that the members of the delegation support the proposal for reunification through confederacy based on one nation, one state, two systems and two governments put forward by the Government of the Democratic People's Republic of Korea.

Noting that the conversion of the Korean peninsula into a nuclear-free, peace zone is a prerequisite to Korea's reunification, he said it is intolerable to overlook the U.S. deployment of more than 1,000 pieces of nuclear weapons in South Korea while demanding "nuclear inspection" of the DPRK.

Saying that all the nuclear weapons and foreign troops must be taken out of the Korean peninsula without delay, he extended firm solidarity to the Korean people in the struggle for the independent and peaceful reunification of the country.

Then, the demonstrators made a powerful march from Namdaemun Street to Tongil Street amid the enthusiastic welcome of citizens, holding high streamers reading "Let us achieve the independent and peaceful reunification of Korea!" "Let us make the Korean peninsula a nuclear-free, peace zone!" And "let us realize early normalization of Japan-Korea diplomatic relations!" And slogan- boards reading "Take away nuclear weapons," "Korea is one," etc. And chanting slogans "National reunification" and "The United States, withdraw troops and nuclear weapons from South Korea!"

The demonstration showed unswerving determination of the Korean and Japanese people to jointly struggle for the independent and peaceful reunification of Korea and for peace in Asia and the rest of the world.

On the same day the delegation went round Panmunjom, saw the concrete wall built by the U.S. imperialists and the South Korean authorities in the area south of the Military Demarcation Line and visited the Koryo museum.

Daily Demands Japan Take 'Sincere Attitude'

SK2208055791 Pyongyang KCNA in English 0455 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—NODONG SINMUN today demands that the Japanese side take a sincere attitude and position at the fourth round of intergovernmental talks for the normalisation of DPRK-Japan diplomatic relations slated for August 30 in Beijing.

The news analyst says:

The fourth round of talks was agreed to be held as the Japanese side asked for the resumption of the talks, promising not to raise again any problem that has nothing to do with the talks and our side accepted its request.

However, some Japanese media circulate misinformation about the results of the contact between Foreign Ministry officials of Japan and the DPRK made to discuss the holding of the fourth round of talks.

If progress is to be made at the talks for the normalisation of DPRK-Japan diplomatic relations, it is important for the Japanese side to take a proper attitude and position toward the talks.

First of all, the Japanese side must approach the talks from a stand that the DPRK-Japan diplomatic relations should be normalised on the basis of the joint declaration of the three parties.

The joint declaration of the Workers' Party of Korea and the Liberal Democratic Party and the Social-Democratic Party of Japan adopted in September last year is a historic declaration which laid down the guideline of ending the abnormal relations between the two countries and making a start in the improvement of relations.

Whether one is willing to normalise the diplomatic relations on the basis of the three-party joint declaration shows whether one is willing to realise the desire of the Korean and Japanese peoples. The Japanese side must ponder over it.

The issue of improving the relations between Korea and Japan is, in essence, an issue of liquidating the wrong past and developing a new relationship of good neighbourhood and friendship between the two countries. The wrong past between the two countries was caused by Japan's invasion of Korea and has failed to be liquidated due to Japan's unfriendly policy toward Korea.

Either in view of international law or from the moral point of view, it is Japan's unavoidable duty to fully compensate for the great misfortunes and disasters imposed on the Korean people in the 36 years of Japan's colonial rule and the losses inflicted on the Korean people in the 45 years after the war. It is no use apologizing with empty words.

At the intergovernmental talks between the DPRK and Japan, irrelevant issues must not be raised and words grating on the ears of the other side must be avoided.

At the past rounds of talks, the Japanese side, probably at the request of someone else, raised the problem of "nuclear inspection" on the DPRK and even came out with a false case invented by the South Korean authorities for the anti-DPRK campaign, thus creating artificial obstacles to the talks.

The Japanese side must draw a lesson from its wrong position and focus everything on the discussion of the matters related to the improvement of the DPRK-Japan relations.

At the fourth round of talks, the Japanese side must strictly keep its promise not to raise any problems that have nothing to do with the talks.

The effective and reasonable way of smoothly solving all matters related to the improvement of DPRK-Japan relations is to solve the matter of establishing diplomatic relations before anything else and then discuss the agenda items one by one.

If the Japanese authorities meant what they said when they stated that they want to normalise the relations between the two countries at an early date, there will be no reason for the Japanese side to refuse to accept our proposal for establishing diplomatic relations first of all.

Officials Attend Reception at Hungarian Embassy

SK2108054891 Pyongyang KCNA in English 0434 GMT 21 Aug 91

[Text] Pyongyang August 21 (KCNA)—Sandor Pataki, charge d'affaires ad interim of the Hungarian Embassy in Korea, arranged a reception at his embassy Tuesday evening on the occasion of the national holiday of Hungary.

Invited there were Vice-Minister of Foreign Affairs Yi In-kyu, director of the General Bureau of Diplomatic Corps Affairs Yi Man-sok, Vice-Minister of Foreign Trade Song Hui-chol, officials concerned and foreign diplomatic envoys here.

Speeches were exchanged at the reception.

O Chin-u Greets Bulgarian Defense Minister

SK2208104391 Pyongyang KCNA in English 0959 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—Vice Marshal of the Korean People's Army O Chin-u, minister of People's Armed Forces, sent a message of greetings to Colonel General Yordan Mutafchiev, minister of national defence of Bulgaria, on the day of the Bulgarian Army.

The message wishes success for him and the officers and men of the Bulgarian Army in their work for increasing the nation's defence capabilities.

Cuban Support for Nuclear-Free Plan Reported

SK2208054491 Pyongyang KCNA in English 0436 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—The DPRK's proposal to establish a nuclear-free zone on the Korean peninsula was supported by Cuba.

PRENSA LATINA reported Tuesday from Havana as follows:

Cuba expressed its support to the DPRK's proposal to turn the Korean peninsula into a nuclear-free zone to contribute to world peace and security.

The Foreign Ministry of Cuba stated in its note that to reduce and eliminate nuclear arms at present is, no doubt, one of the major preoccupations and desires of mankind.

The Korean Government put forward a new and concrete proposal to establish a nuclear-free zone on the Korean peninsula where the United States has a large nuclear arsenal and other means of mass destruction.

The note stressed Cuba has always opposed the presence of mass destruction weapons, nuclear arms in particular, and that is why it strongly supports the proposal.

Another reason why Cuba supports this proposal is that it is conducive to peace and security in Asia and the rest of the world, the note added.

News Conference Held at Afghan Embassy 19 Aug

SK2008053891 Pyongyang KCNA in English 0442 GMT 20 Aug 91

[Text] Pyongyang August 20 (KCNA)—A press conference was held at the Afghan Embassy here Monday on the occasion of the 72nd anniversary of the Afghan independence.

Speaking at the conference, Mohammad Kamel Delzadeh, first secretary of the embassy, recalled that 72 years ago the Afghan people achieved the independence of the country from the rule of the British colonialists. He briefed in detail on the fundamental measures taken by the Afghan Government to resolve the urgent problems of the country on the basis of the five-point peace proposal and the policy of national reconciliation.

Indian Student Leader Interview on Yim Su-kyong

SK2208105391 Pyongyang KCNA in English 1000 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—The All India Students Federation condemns the South Korean authorities for their fascist and inhumane persecution of student Yim Su-kyong in jail and strongly urges them to unconditionally and immediately release her and other students under arrest, said chairman of the Federation Ravindra Nathroy.

He was interviewed by the KCNA correspondent in India on the lapse of two years after Yim Su-kyong as a delegate of Chondaehyop [National Council of University Student Representatives] participated in the 13th World Festival of Youth and Students which was held in Pyongyang in 1989 and went back to South Korea through Panmunjom.

We, he stressed, will actively conduct a solidarity movement in various forms for the release of coed Yim Su-kyong and for support of the just struggle of South Korean students.

Nepal Communist Leader Meets WPK Delegation

SK2108055191 Pyongyang KCNA in English 0423 GMT 21 Aug 91

[Text] Pyongyang August 21 (KCNA)—The Workers' Party of Korea has made great achievements in all fields of socialist construction by applying the chuche idea under the wise guidance of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il.

General Secretary of the Nepal Communist Union [NCU] Sombram Shrestha said this when he met on August 14 with Kim Chae-pong, vice-director of a department of the Central Committee of the Workers' Party of Korea who was heading the delegation of the party.

This gives confidence and inspiration to the Nepal Communist Union which aspires after socialism and communism, under the complicated international situation, he said, and went on:

The NCU is striving to apply the chuche idea to Nepal. It will actively endeavour to learn from the experiences of the Workers' Party of Korea.

It is the faith of the NCU and its internationalist duty to support the cause of Korea's reunification.

Korean Denuclearization Appeal Adopted in Nepal

SK2208110191 Pyongyang KCNA in English 1002 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—An appeal to all the political parties, governments, public organisations and people in Asia and the world was adopted at the conference of political parties and public organizations for denuclearization of Korean peninsula against U.S. nuclear threat to Asia which was held in Nepal.

The appeal said:

The imperialists are these days trying to force "nuclear inspection" upon the Democratic People's Republic of Korea which has neither intention nor capacity to develop nuclear weapons. It is aimed to cover up the dangerous U.S. nuclear weapons deployed in South Korea and divert elsewhere the attention of people in Asia and the rest of the world.

Stressing that all the peace-loving states of the world including Asian countries, political parties, public organisations and people should heighten vigilance against the U.S. nuclear weapons deployed in South Korea and rise as one in the struggle to remove them and turn the Korean peninsula into a nuclear-free, peace zone, the appeal calls upon them:

Firstly, the North and South of Korea should agree on the establishment of a nuclear-free zone on the Korean peninsula and make a joint declaration thereof for the removal of the source of the nuclear war from the peninsula and the rest of Asia.

We extend firm support and solidarity for the new peace proposal of the Democratic People's Republic of Korea that the United States, and the Soviet Union and China, the nuclear weapons states neighboring on the Korean peninsula, legally guarantee the nuclear-free status of the Korean peninsula once an agreement is reached and declaration is adopted to this effect, and that the non-nuclear weapon states in Asia support the conversion of the Korean peninsula into a nuclear-free zone and respect its nuclear-free status.

Secondly, the peace-loving countries and people of the world should actively join in the concerted efforts to force the United States and the South Korean authorities to open to the public all the nuclear weapons and nuclear bases in the southern half of the Korean peninsula and immediately accept international inspection of them.

Thirdly, we strongly demand that the U.S. and South Korean authorities present, without delay, a timetable for the withdrawal of U.S. troops and nuclear weapons from South Korea and discontinue unconditionally the "Team Spirit" joint military exercises from next year on.

Fourthly, a powerful struggle should be waged to force the United States to give legal commitment not to make nuclear attack and pose nuclear threat against the DPRK and other Asian countries.

We call upon all the governments, parliaments, political parties and public organisations in Asia and the world that love peace and justice to support the struggle of the Korean people for the independent and peaceful reunification of the country and to take an active part in the struggle for building a new world, free and peaceful, by removing the danger of nuclear war from Asia and expanding ceaselessly nuclear-free, peace zones in the region.

Danish Official Presents Gift for Kim Chong-il

SK2108054991 Pyongyang KCNA in English 0436 GMT 21 Aug 91

[Text] Pyongyang August 21 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from the Danish Workers' Party, Common Cause.

The gift was handed to Secretary of the C.C. [Central Commmittee], Workers' Party of Korea Kim Yong-sun by Chairman of the Danish Party Preben Moller Hansen on a visit to Korea.

Kim Il-song Receives African Leaders' Greetings

SK2208050491 Pyongyang KCNA in English 0408 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea received messages of greetings from Jerry John Rawlings, head of state and chairman of the Provisional National Defence Council of the Republic of Ghana, and Joao Bernardo Vieira, president of the State Council of the Republic of Guinea-Bissau, on the occasion of the 46th anniversary of the liberation of Korea.

They referred to the great achievements made by the Korean people under the wise leadership of President Kim Il-song.

They expressed the belief that the friendly and cooperative relations between Korea and Ghana and between Korea and Guinea-Bissau will further strengthen and develop.

International Support for Proposals 'Gaining'

SK2108153591 Pyongyang KCNA in English 1502 GMT 21 Aug 91

[Text] Pyongyang August 21 (KCNA)—The international solidarity movement for supporting the Korean people's struggle to achieve the independent and peaceful reunification of the country is gaining in scope and strength with each passing day.

Party and state leaders, political and public figures, political parties and organizations of different countries expressed their support for the Korean people's cause of national reunification through the publication of messages of greetings, letters, statements and press statements in the world-spanning June 25-July 27 month of anti-U.S. joint struggle this year alone.

In this period rallies, lecture meetings, seminars, mass demonstrations, press conferences and other various functions were held in more than 120 countries and regions including China, Cuba, India, Portugal and Japan. In the recent few months alone governments, political parties and organizations of more than 100 countries on the five continents, 60 odd international bodies and prominent figures published statements, appeals and press statements in support of the joint statement dated June 10 of the political parties and public organizations of the DPRK and its Foreign Ministry's statement dated July 30. They strongly demanded the withdrawal of the U.S. troops and nuclear weapons from South Korea and the conversion of the Korean peninsula into a nuclear-free zone.

The "international solidarity march for supporting Korea's reunification" is also gaining in scope and strength with every passing day as an organized international solidarity movement.

The march which started in India with due ceremony on March 25 spread to over 60 countries including Nepal, Burkina Faso, Denmark and Peru.

In the meantime, signature campaigns for supporting the independent and peaceful reunification of Korea have been launched briskly in all parts of the world. They involved more than 150 million political figures and people from all walks of life in the recent several months alone.

Meeting of Ship Crewmen Supports Kim Il-song

SK2208124191 Pyongyang KCNA in English 1021 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—Crewmen of the Philippine-flagged ship Reunite Confidence held a meeting at Wonsan port on August 20 in support of "Let Us Achieve the Great Unity of Our Nation," talks of the great leader President Kim Il-song with senior officials of the Committee for the Peaceful Reunification of the Fatherland and the members of the North side's headquarters of the Pan-National Alliance for the Country's Reunification.

The master and crewmen said in their speeches that the work is of epochal significance in strengthening the driving force of reunification and accelerating national reunification with the overwhelming superiority of the reunification forces.

Recalling that His Excellency President Kim Il-song in his work put forward the principles which must be firmly maintained in achieving great national unity and ways for their implementation, they said that the line of achieving great national unity advanced by him is a highly important guideline in accomplishing the cause of Korea's reunification.

They expressed firm solidarity with the Korean people in their struggle to reunify the country at any cost by means of confederacy in the '90s in hearty response to his line of achieving great national unity.

They demanded that the South Korean authorities tear down the concrete wall they have built in the area South of the Military Demarcation Line, abolish the notorious "National Security Law" and unconditionally and immediately release Rev. Mun Ik-hwan, coed Yim Su-kyong and other visitors to the North and all the pro-reunification patriots.

They also demanded that the U.S. imperialists no longer encourage the South Korean authorities to anti-reunification moves, stop all the nuclear war exercises in South Korea and immediately get out of South Korea, taking along all their aggression armed forces including troops and nuclear weapons.

A letter to President Kim Il-song was adopted at the meeting.

A solidarity letter to the Korean Students Committee, the National Council of Student Representatives [Chondaehyop] of South Korea and Korean youth and students overseas was read out at the meeting.

1991 Railway Freight Transportation Statistics

SK2108103191 Pyongyang KCNA in English
1003 GMT 21 Aug 91

[Text] Pyongyang August 21 (KCNA)—Railway freight transport is on the increase in Korea.

According to data available at the Ministry of Railways, 287,090,000 more tons of freight than the rated traction tonnage were carried in the first seven months this year.

The Western Railway General Bureau carried 2,566,900 more tons of loads in the same period through a better organization of transport with a high target to carry out this year plan, 12.3 percent higher than last year, ahead of schedule.

Railway workers under the Kaechon Railway General Bureau carried 1,980,000 more tons of freight.

The Northern and Eastern Railway General Bureaus have regularly carried out check-up and repair of locomotives and increased their operation rate to carry more loads than the rated traction tonnage.

Hydraulic Stations Increase Power Production

SK2208054091 Pyongyang KCNA in English
0441 GMT 22 Aug 91

[Text] Pyongyang August 22 (KCNA)—Hydraulic power stations in different parts of Korea are increasing power production.

According to data available, the output of electricity in the last fifteen days jumped 11 percent up on the like period of the previous month.

Daily quotas are being overfulfilled by 5 percent on an average, 19 percent at the maximum, at the Supung, the March 17, Kanggye youth, Wiwon, Taechon and Changjagang power stations.

Paying primary attention to the control of equipment and technical control, workers at these power stations markedly improved the effectiveness of turbines to put out more electricity with the same amount of water.

The Hochongang power station set itself the goal of carrying out the yearly plan more than two months ahead of schedule and has ensured the full-capacity operation of generating equipment, thus producing more electricity than planned.

KCNA Review of 22 Aug Pyongyang Press

SK2208054291 Pyongyang KCNA in English
0444 GMT 22 Aug 91

[Press Review]

[Text] Pyongyang August 22 (KCNA)—Papers here today carry a letter to the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, from the participants in the conference of political parties and public organisations for denuclearization of the Korean peninsula and removal of nuclear threat of the United States from Asia which was held in Nepal and an account of the conference, a keynote report, a supplementary report and an appeal adopted at the conference.

NODONG SINMUN reports that President Kim Il-song received a message from President Alberto Fujimori in reply to his message of greetings on the 170th anniversary of the independence of Peru.

Solidarity letters came to President Kim Il-song from foreign countries in support of the joint statement of political parties and public organisations of the DPRK regarding denuclearisation of the Korean peninsula, says the press.

Foreign news media reported about on-the-spot guidance of President Kim Il-song to work in different domains of the national economy in South Hamgyong Province, says NODONG SINMUN.

Thanks of the Central Committee of the Workers' Party of Korea was conveyed to the units which have registered successes in the endeavours to improve the people's living standards, according to papers.

NODONG SINMUN conveys words of South Korean people highly praising the dear leader Comrade Kim Chong-il as the successor to the revolutionary cause of chuche.

The paper introduces the Kumchang secret base rebuilt in Kim Hyong-chik county, Yanggang Province, which had been widely used by the great leader Comrade Kim Il-song when advancing deep into the homeland during the anti-Japanese armed struggle.

NODONG SINMUN editorially calls for effecting a new change in factory management and equipment control through the vigorous "Model Machine Movement of Loyalty for Emulating Lathe No. 26," a mass equipment management movement initiated by our party.

Papers inform the readers that a train service opened between Kumgol, a gigantic non-ferrous metal ore producer, and Kiam recreation ground, a scenic spot on the east coast.

NODONG SINMUN reports that the nearly 100-member delegation of Japanese lawyers and public figures who are defending the human rights of Korean residents in Japan visited Kaesong municipality and staged a march in support of the independent and peaceful reunification of Korea.

The secretary general of the Nepal Communist League met with the head of a delegation of the Workers' Party of Korea, says the daily.

Given in the press is an account of a contact held between the chief liaison officials of both sides for the North-South high-level talks.

Carried in the press is the full text of a statement in court by student Song Kap-sok, fourth-term chairman of the National Council of Student Representatives (Chondaehyop) printed in the book "Chondaehyop" which was brought out by the Tolbegae Publishing House in South Korea.

Papers round up voices of international community, South Korean people and overseas compatriots demanding an immediate withdrawal of the U.S. troops and nuclear weapons from South Korea.

Some Japanese publications are raising a hue and cry over questions which have nothing to do with the agenda items of the intergovernmental talks for the normalisation of DPRK-Japan diplomatic relations, with the fourth round at hand. In this connection, papers come out with commentaries demanding that the Japanese side approach the talks with a sincere attitude and stand.

Papers inform the readers of brisk campaigns demanding an early normalisation of Japan-DPRK diplomatic relations in different parts of Japan.

The U.S. paper INTERNATIONAL HERALD TRIBUNE carried an article by the head of the International Relations Department of the Australian National University saying that the proposal for the denuclearisation of the Korean peninsula conforms to the security interests of the United States and South Korea, according to NODONG SINMUN.

It runs an article on the dangerous nature of the U.S. "new world order" doctrine.

South Korea

North Said To Fire Shots at DMZ Guard Post

SK2208015591 Seoul KBS-1 Radio Network in Korean 0103 GMT 22 Aug 91

[Text] On the evening of 21 August, shots were fired at our side's guard post from the North Korean side's guard post situated at the eastern front of the demilitarized zone.

The Defense Ministry revealed that on 21 August at around 1825 [local time], shots were fired at our side's guard post which is about one kilometer away from the North Korean side's eastern front guard post. It also revealed that there was no damage at our guard post.

The Defense Ministry plans to make an on-the-spot investigation with the United Nations Command sometime today and strongly protest this to the North Korean side through the Military Armistice Commission.

The Defense Ministry revealed that since a general from the ROK Army was appointed as the chief delegate to the UN Forces side of the Military Armistice Commission, North Korea has been creating a tense atmosphere by criticizing that our side has been carrying out maneuvers in the front region.

U.S. Troops To Inspect Site

BK2208024291 Hong Kong AFP in English 0239 GMT 22 Aug 91

[Text] Seoul, Aug 22 (AFP)—North Korean soldiers shot their guns across the border into South Korea, but hit nobody, the South Korean Defense Ministry said Thursday.

The shooting came from a North Korea observation post on the eastern part of the border at 6:25 P.M. Wednesday, the ministry said in a statement, adding that the shots appeared to be aimed at a guard post.

South Korea did not respond, but broadcast warnings to stop the shooting, the statement said, adding that the ministry would inspect the site with U.S. troops Thursday. The guard post did not appear to have been hit.

The incident took place on the same day that the Defense Ministry here said it was stepping up military vigilance of North Korea out of concern that the North may become emboldened by the stab at power in Moscow by hardline communists in a now failed coup.

Seoul will also lodge a protest through the Military Armistice Commission (MAC), the body that has surveyed the tense truce that ended the 1950-1953 Korean War.

The capitalist South and communist North have long traded charges of shootings since the end of the war. The statement did not say what kinds of guns were used in the attack nor how many shots were fired.

The shooting took place as South and North Korean liaison officials prepared to meet Thursday morning at the border truce village of Panmunjom to try to hammer out a compromise on a meeting of their premiers slated for next week.

The North has demanded that the venue of the meeting be moved from the capital Pyongyang to the border, claiming concern over a cholera epidemic in the South. This has angered the South, whose officials say the demand has more to do with the abortive coup d'etat in Moscow.

The statement accused the North of creating tension by accusing Seoul of paralyzing the function of the MAC. Seoul has named a South Korean general as chief delegate of the MAC this spring.

The post has always been filled by a U.S. officer out of the more than 43,000 U.S. troops stationed in South Korea.

"We are carefully watching the (situation), considering that the North is delaying the high-level talks citing the outbreak of cholera," said the

Panmunjom Contact Fails To Reach Agreement

SK2208054591 Seoul KBS-1 Radio Network in Korean 0500 GMT 22 Aug 91

[Text] The North and South today held a contact of responsible liaison officials at Tongilgak on the North side in Panmunjom. They discussed the North Korean side's proposal to change the site of the talks, but failed to reach an agreement.

Next S-N Panmunjom Contact Scheduled for 23 Aug

SK2208103591 Seoul KBS-1 Radio Network in Korean 1000 GMT 22 Aug 91

[Text] Both sides of the North and the South held a contact of responsible liaison officials at Tongilgak, the North side's area in Pamnunjom, today. They discussed the issue of changing the meeting place, as proposed by the North side, but failed to reach an agreement. Thus, it was agreed to hold a contact of liaison officials at Tongilgak, in Panunjom, tomorrow, to discuss this issue.

Board Unsupportive of Press Union Visit to North

SK2208013491 Seoul THE KOREA HERALD in English 22 Aug 91 p 22

[Text] The government has virtually rejected a journalist organization's bid to visit North Korea to attend an international meeting slated for Aug. 21-24 in Pyongyang.

The National Unification Board asked the (South) Korean Federation of Press Unions (KFPU) Tuesday to be "prudent" in the federation's plan to visit North Korea.

Meeting of South, North Scientists in PRC Ends

SK2208102991 Seoul YONHAP in English 0929 GMT 22 Aug 91

[Text] Yanji, China, Aug. 22 (YONHAP)—The first ethnic Korean academic gathering attended by scientists from both Koreas closed Thursday in Yanji with an agreement to meet again in Pyongyang in 1992.

During the three-day conference, 300 Korean scientists, of whom 108 were South Koreans and 46 North Koreans, presented 200 papers and took part in debates on inorganic and organic chemistry, mathematics, physics, geology, the environment and medical science.

It was co-hosted by the Korean Scientists Association of China and another Chinese scientific organization in Yanbian, Jilin province. Participants agreed to organize regular conferences, with the next one in Pyongyang, and the North Korean scientists promised to make the necessary arrangements.

Conference chairman Jiang Guiji, a professor at Yanbian University, said in his closing address that it was meaningful that ethnic Korean scientists could get together 46 years after the division of their homeland. He said he sincerely hoped the meeting would advance reunification of the South and North.

Cho Wan-kyu, a former president of Seoul National University, said that just as Panmunjom was a field for political exchanges, Yanji should be a place for academic exchanges between South and North Korea.

North Official Commentary on Soviet Coup Cited

SK2208094991 Seoul YONHAP in English 0858 GMT 22 Aug 91

[By Ko Song-il: "North Korea Left Out on a Limb by Support for Moscow Coup"—YONHAP headline]

[Text] Seoul, Aug. 22 (YONHAP)—Elation turned to despondency in North Korea when the Soviet hardliners bit the dust and their muddled coup fell apart, allowing reformist President Mikhail Gorbachev back into the Kremlin.

What Pyongyang thought was a dream come true, the ouster of the man who forced them to "reluctantly" open to the rest of the world, turned into their worst nightmare overnight.

Pyongyang lost no time in reporting to its people that the Soviet leader had been deposed, foolhardily going so far as to advise the Soviet people in a commentary in the NODONG SINMUN that they should obey the orders of the eight-man junta.

As far as North Korea-Soviet relations are concerned, the North's leaders shot themselves in both feet. Things had not been going well between the "allies" since South Korea and the Soviet Union normalized diplomatic ties in September last year.

North Korean wrath probably peaked when Gorbachev flew to the South Korean island of Cheju in April for a summit with President No Tae-u, his third in almost eight months.

Against this backdrop, the replacement of Gorbachev by right wingers was a cause for celebration in Pyongyang as it offered a way to reverse recent setbacks.

The swift victory of the reformers was a chastening experience and is likely to force the North to open faster. It may also convince the North to gag its reform-minded people before they can spread the poison of glasnost and perestroyka.

An economic basketcase, North Korea has no choice but to push ahead with normalization of diplomatic ties with Japan and the United States.

To improve its image as the most isolated and most Stalinist nation in the world, the North dramatically announced it would allow international inspection of its nuclear facilities and join the United Nations alongside South Korea next month.

The North needs more time on inter-Korean relations, though.

Its first move after the coup was to try to suspend the prime ministers' talks slated for Aug. 27-30 in Pyongyang using an absurd excuse.

Although liaison officials are to meet at the truce village of Panmunjom Friday [23 August] to discuss resumption of the talks, they are unlikely to reach agreement.

Observers expect the North to resume dialogue with the South soon because Seoul's major allies have made it a condition for improving their relations with Pyongyang.

No Welcomes Normalization of Soviet Situation

SK2208014491 Seoul KBS-1 Television Network in Korean 0050 GMT 22 Aug 91

["Announcement" by ROK President No Tae-u at Chongwadae—live]

[Text] I welcome the fact that the Soviet Union has restored constitutional order after overcoming the unfortunate situation in a short period of time without shedding much blood. I share the joy of all the people over the fact that President Gorbachev has been restored to his legitimate rule after returning to Moscow.

This sudden situation in the Soviet Union has greatly shocked and worried us. Also, we have been greatly worried about the safety of President Gorbachev, who has ended the cold-war order in the world and normalized ROK-Soviet relations. In particular, during our three rounds of summit talks, President Gorbachev and I extensively discussed democracy, the market economy system, and global peace. Therefore, the past three days were a very troubling period for me personally.

We have realized that the Soviet situation is not only a domestic affair in the Soviet Union but also an affair that is directly related to the world's future and to us. I think that today's developments are a great victory of the Soviet people's resolve and courage for freedom and democracy. This was also the result of the belief of Yeltsin, president of the Russian Republic, and other Soviet leaders in democracy and their leadership. I express my respect to the Soviet people and their leaders for this. I also think that unity among the United States and various other countries of the world in handling this matter and their effective action have decisively contributed to normalizing the Soviet situation.

At present, freedom and democracy have become an irrevocable trend of history. The countries of the world must more closely cooperate among themselves to build a peaceful and reconciliatory world by further promoting this trend. I hope that the countries of the world will positively help the Soviet Union overcome its difficulties and make progress in reforms. I sincerely hope that, seizing the normalization of the Soviet situation as an opportunity, ROK-Soviet friendship will be further strengthened and continuously developed. Thank you.

Seoul Welcomes Failure of 'Illegal' Soviet Coup

SK2208014391 Seoul YONHAP in English 0127 GMT 22 Aug 91

[Text] Seoul, Aug. 22 (YONHAP)—The South Korean Government issued a statement Thursday welcoming the failure of the "illegal" coup against Soviet President Mikhail Gorbachev and hoping that reform and democratization will gain speed.

In an official statement on the coup, Information Minister Choe Chang-yun said the government had watched the events of the last few days "with deep concern and consternation" and with all free peoples welcomed the quick frustration of the "illegal attempts to interrupt constitutional government" and the restoration of constitutional order.

"We believe this represents a great victory for the courageous Soviet people who ardently desire freedom and democracy... We hope that reforms and democratization in the Soviet Union will be further accelerated so that the nation can make even greater contributions to world peace and prosperity," said Choe in his capacity as chief government spokesman.

South Korea and Soviet Union had developed solid ties of cooperation and would be able to further deepen and broaden their good-neighborly, cooperative relations in the future, he said.

The two countries normalized diplomatic relations last year.

Soviet Embassy Reacts to Gorbachev's Return

SK2208043691 Seoul YONHAP in English 0423 GMT 22 Aug 91

[Text] Seoul, Aug. 22 (YONHAP)—The Soviet Embassy in Seoul reacted happily to the news that Soviet President Mikhail Gorbachev was back at the helm Thursday.

"I want to thank South Korean Government for the support and encouragement for anticoup movement," acting ambassador Lohengrin Yeremenko said, adding that he was very glad to see his country continue pushing ahead with democratization.

"There always follow a lot of unexpected things in the history but nobody can frustrate the Soviets' will of democracy," he said.

He arrived at his office early in the morning with a smile on his face and posed for the photographers with a Korean-language newspaper.

Elated embassy staff started issuing visas at 9:30 A.M.

Amb. Oleg M. Sokolov was out of the country as he was vacationing in his country.

Seoul Dailies View Soviet Situation 21 Aug

SK2208013691

[Editorial Report] Seoul Korean-language newspapers on 21 August continue to carry editorials on the Soviet situation.

CHOSON ILBO on 21 August carries on page three a 800-word editorial entitled, "Soviet Citizens Are By No Means Isolated." Indicating the serious developments of the Soviet situation, the editorial says that "we are now witnessing the beginning of Soviet-version military dictatorship" while expressing sympathy with the Soviet citizens struggling against the hard-liner conservative faction. The editorial continues to say that "we cannot but condemn the act of usurping the Soviet regime by force in violation of the constitutional procedures." The editorial concludes by saying "we extend our sumpathy and encouragement of Soviet citizens struggling against the military coup" and "the Soviet citizens will be by no means be isolated because the conscientious people of the world are standing at their side."

HANGUK ILBO on 21 August carries on page two a 800-word editorial entitled, "We Will Keep an Eye on Western countries' Strong Measures. The Situation Is Turning Unfavorably for the Conservative Faction of the Soviet Union." The editorial, describing the developments of the Soviet situation, explains the moves of Western countries taking strong measures against the coup, including U.S. President Bush's remarks calling for President Gorbachev's reinstatement and his warning of stopping economic aid to the Soviet Union.

Dwelling on the implication that such strong-worded remarks by President Bush has, the editorial says: "It is probably certain that such a strong attitude of President Bush toward the military coup stemmed from his analysis that there is a strong possibility that the coup will fail. Now that the White House has strongly called for the reinstatement of Gorbachev's legitimate government, even if the coup were successful, the conservative faction of the Kremlin would have a heavy burden."

In conclusion the editorial stresses the need for the early settlement of the Soviet situation, saying that "We hope that the crisis in the Soviet Union will be settled peacefully on the basis of common sense and reason."

SEOUL SINMUN on 21 August carries on page two a 1,000-word editorial entitled, "Prospect of ROK-Soviet Relations in the Wake of the Military Coup in the Soviet Union." The editorial extensively describes possible effects that the military coup in the Soviet Union will have on future relations between the two countries. Expressing the worries over possible changes in the present "peace-oriented situation" on Northeast Asia and the Korean peninsula, in particular, the editorial says: "The current military coup in the Soviet Union will probably bring about changes in North Korea's attitude in dealing with the issue on Northeast Asia and on the question of the Korean peninsula, in particular. Therefore, at a time when the simultaneous entry of North and South Korea into the United Nations is imminent we should pay sharp attention to the present Soviet situation. If the relations between North Korea and the Soviet Union return to those that existed before Gorbachev's reform policy was initiated, we will surely meet a stumbling block in our northern policy in the future."

KYONGHYANG SINMUN on 21 August carries on page three a 800-word editorial entitled, "The Soviet Union Should Not Go Against the Times." Extensively describing the touch-and-go situation created by the military coup of the hard-line conservative faction of the Kremlin, as well as the Soviet citizens' resistance against the military coup and the world's repercussions of it, the editorial brands the coup as a "reckless act of usurping power." The editorial then recalls Gorbachev's efforts and achievements for world detente and expresses regret over his removal from office.

In conclusion the editorial stresses the need for our government to prudently cope with the Soviet situation by saying that "we should prudently review again our on-going economic cooperation with the Soviet Union. However, our diplomatic policy toward the Soviet Union should be based on reality, because national interests require cool-headed and rational judgment and determination. But, now is not the time for us to make a diplomatic decision with regard to the Soviet situation."

HANGYORE SINMUN on 21 August carries on page two a 1,200-word editorial entitled, "Stranded Perestroyka." Saying that "we, together with the people of the world, cannot but have the feelings of "shock and disappointment" with regard to the military coup in the Soviet Union, the editorial gives an extensive explanation for the motive and background of the coup. Then, the editorial describes possible effects that the removal of Gorbachev from office will have on relations between North Korea and the United States and between North Korea and Japan and on the question of the Korean peninsula, in particular.

In conclusion the editorial says: "We cannot but fear that the removal of Gorbachev—who opened the door of ROK-Soviet diplomatic relations and who has made efforts for improving the relations between the North and the South—will have an adverse effect on ROK-Soviet relations, let alone the relations between North Korea and the United States and between North Korea and Japan. We believe that the ouster of Gorbachev will have an adverse effect on liquidating the protracted divided state of the Korean peninsula."

TONG-A ILBO on 21 August carries on page two a 1,000-word editorial entitled, "The Coup in the Soviet Union and Our Attitude. We Should Cope With the Situation Together With Western Countries." The editorial begins with introducing the stern moves against the coup by Western countries, including the United States, EC nations, and Japan. The editorial urges the government to immediately join the moves of these countries, saying "if the coup of the hard-line conservative faction in the Soviet Union is successful, its aftermath will greatly influence the security on the Korean peninsula." The editorial concludes by stressing that "if the government takes things too easy, believing that even if the coup is successful the basic foundation of the present ROK-Soviet relations will not change, this is a big mistake."

CHUNGANG ILBO on 21 August carries on page three a 800-word editorial entitled, "Now is the Time To Concentrate Strength on Frustrating the Military Coup in the Soviet Union."

Describing the motive for the coup and the influence that it will have on the hard-won international detente and on the Korean peninsula, in particular, if successful, the editorial stresses the need for Western countries to impose pressure on the hard-line conservative forces in the Soviet Union and to encourage the reform forces on a continuing basis.

Banks Tighten Exchange Controls on USSR Trade

SK2108124691 Seoul YONHAP in English 1023 GMT 21 Aug 91

[Text] Seoul, Aug. 21 (YONHAP)—The Soviet crisis has prompted South Korean banks to tighten foreign exchange controls to avoid non-collection on exports.

The Korea Exchange Bank [KEB] said Wednesday that banks will examine the underwritability of export insurance prior to purchasing bills for Soviet-bound exports and call for mortgages or other security obligations to cover 10 percent of the export price not reached by insurance.

Buying uninsured export bills will need confirmation of full payment deposit at a Soviet-based settlement bank, a KEB official said.

Importers of Soviet products are required to pay their bills only through an account with KEB to the bank for foreign economic affairs of the Soviet Union.

Banks Resume Negotiations of Drafts for Soviets

SK2208023491 Seoul YONHAP in English 0212 GMT 22 Aug 91

[Text] Seoul, Aug. 22 (YONHAP)—Korean banks resumed negotiations of drafts and underwriting insurance for normal exports with letters of credit on hearing that the coup in Moscow had failed, financial sources said Thursday.

Korean banks virtually suspended deals with Soviet banks, including the Soviet external economic bank, for fear that President Mikhail Gorbachev's ouster might make them incapable of repaying.

Encouraged by peace in Moscow, the Export-Import Bank of Korea plans to push ahead with 800 million dollars of consumer goods exports to the Soviet Union as soon as letters of credit arrive from the external economic bank.

The Commercial Bank of Korea will extend 500 million dollars in cash to the Soviet Union this year as scheduled as part of an economic aid package.

Economic Cooperation With USSR To Return

SK2208051491 Seoul YONHAP in English 0439 GMT 22 Aug 91

[Text] Seoul, Aug. 22 (YONHAP)—South Korea's economic cooperation and exchanges with the Soviet Union will return to normal with the coup against President Mikhail Gorbachev collapsed, a Foreign Ministry official said Thursday.

Its economic aid to the Soviet Union will be delivered next month on schedule and northern policy of enhancing cooperation and exchanges with the East Bloc will be resumed, the official said.

It was decided in a cabinet meeting to consult with the United States and Japan on helping the Soviet Union to nurture democracy and undertake economic reforms, he said.

"The attempted coup in the Soviet Union will provide a turning point for Korean diplomacy. The government will beef up its diplomatic efforts in the United Nations and take the initiative in improving inter-Korean exchanges," he said.

PRC Trade Representative Seeks Trade Agreement

SK2208030791 Seoul YONHAP in English 0251 GMT 22 Aug 91

[Text] Seoul, Aug. 22 (YONHAP)—China hopes to conclude Chinese-South Korean trade agreement and other economic pacts with South Korea as soon as possible, Xu Dayou, head of the Chinese Trade Representative Office in Seoul, said Thursday.

The Korea Trade Promotion Corp. and China Chamber of International Commerce were drafting agreements to eliminate double taxation and guarantee investments and China hoped to see their efforts bear fruit as soon as possible, Xu told a breakfast meeting organized by the Korean Standard Association.

China's open-door policy was a long-standing, basic state line and his country would maintain the mutual-beneficiary principle in international trade, he said.

China and Korea would jointly prosper from coordinated economic relations, but China did not welcome Korean investment in hotels, office building, apartments and light industry. Participation in infrastructure and raw material projects was advised, Xu said.

He said Beijing and Seoul were negotiating a direct air link and improved economic activities would help early establishment of diplomatic ties between the two countries.

National Assembly Speaker Meets Indonesia Leader

SK2208102291 Seoul YONHAP in English 0916 GMT 22 Aug 91

[Text] Seoul, Aug. 22 (OANA-YONHAP)—Speaker Pak Chun-kyu of the National Assembly on Thursday paid a courtesy call on Indonesian President Suharto. Earlier in the day, Pak met his Indonesian counterpart to discuss the formation of an Asia-Pacific speakers' conference Thursday, according to Pak's office in Seoul.

Pak gave President No Tae-u's regards to Suharto and expressed his thanks for the Indonesian Government's support for South Korea's entry into the United Nations.

Suharto paid tribute to No and said the entry of the two Koreas into the world body would lead to unification.

Indonesians were trying their best to achieve balanced distribution of development gains by learning from the experiences of South Korea, Suharto was quoted as saying.

Meanwhile, Indonesian Speaker Kharis Suhud agreed to support for the inauguration of a speakers' conference late this year or in January.

Pak was accompanied by Rep. Kim Yong-pae, floor leader of the opposition New Democratic Party, and four other assemblymen.

Government Approves Appointment of Naval Chief

SK2208032491 Seoul YONHAP in English 0255 GMT 22 Aug 91

[Text] Seoul, Aug. 22 (YONHAP)—The government approved the promotion and appointment of Kim Chol-u from vice chief of naval operations to chief of naval operations in a cabinet meeting Thursday.

Adm. Kim, 55, will succeed Adm. Kim Chong-ho, who retires Sept. 3, as the naval chief.

Kim Chol-u, a native of Pyongyang, now the capital of North Korea, graduated from the Korean Naval Academy. He has served as a fleet commander and deputy chief naval operations for personnel.

Defense Minister Interviewed 16 Aug

SK1708005191 Seoul THE KOREA HERALD in English 17 Aug 91 pp 1, 3

[Interview with South Korean Defense Minister Yi Chong-ku by KOREA HERALD staff reporter Yi Song-yol in Seoul on 16 August]

[Text] A unified Korea would not remain a military power, but maintain the minimum military strength needed to maintain a balance of power in this part of the world, said Defense Minister Yi Chong-ku yesterday.

Yi then demanded a steady increase in the defense budget equivalent to 4.5 percent of the gross national product for the next three to four years so that the Armed Forces could maintain effective deterrent to North Korea's potential military threat.

Yi said that a unified Korea would not maintain such large forces as the South and North now have.

South Korea maintains a force of some 600,000 men and North Korea an estimated 980,000 troops.

"Before the nation is reunified, there would be a mutual reduction of military forces as a precondition to ease tension between the two sides," said Yi in an interview with The Korea Herald.

He said that the ministry is soon to launch a study on the appropriate size of military power and the defense policy of united Korea for the sake of maintaining peace and stability in Northeast Asia.

"When reunified, Korea should play the role of balancer in this sensitive region and maintain a minimum of military power befitting its role," Yi said.

So it is not correct that a unified Korea would remain a military power, he said.

But, for the South to maintain 80 percent of North Korea's military power, some 4.5 percent of the GNP [Gross National Product] should be provided as a defense budget for the next three to four years, when a profound change in inter-Korea relations are expected, Yi said.

The ratio of the defense budget to the GNP has steadily decreased in recent years, with 6.3 percent in 1990 and 4.01 percent this year.

The ratio of increase in the defense budget has been outpaced by that of the government's finance since 1989.

"In spite of the international thawing mood and the improvement of inter-Korea relations, we are reminded that the North has not changed its traditional goal of communizing the South by force and has recently been developing biochemical, nuclear and traditional weaponry," Yi notes.

The more trouble the North has with its own system, the more possibility there is that it may miscalculate and take military risk, said Yi.

"So we have to prepare for what is changing and at the same time be alert to what has not changed in the North," Yi aid, describing the current period as "the transitional dual situation where both opportunity and crisis intermingle."

The next four or five years will constitute the last period of crisis in the security of the Korean peninsula, in which "we cannot afford to remain just optimistic," Yi said.

He suggested that the nation exercise its flexibility in diplomatic and reunification fields while it continues to improve defense capability to such an extent that it would force the North to come to the arms reduction table.

But his call for an expanded defense budget would run counter to a recent suggestion made by the Federation of Korean Industries (FKI) for a reduced defense budget, heralding a heated debate.

The ministry has presented a draft budget bill calling for 9 trillion, 653 won [as published], up 25 percent from this year's 7 trillion, 741 billion won.

Yi said that an increased defense budget is needed to improve the military's defense capability and also to improve the welfare of servicemen, especially of the noncommissioned officers, many of whom have recently been leaving the military because of low pay and ill working conditions.

Concerning the wire fences along the East and West Coast, Yi said that the military will remove them first near ports, beaches and in such areas where the wire fences are a serious inconvenience to fishermen, on a gradual basis.

The wire fences were first established in the late 1960s when scores of North Korean armed agents attacked the Uljin and Samchok areas on the East Coast and killed several innocent civilians.

"The wire fences are no longer useful, but we will first remove the fences that have worn out," he said.

Fishermen and beach-goers welcomed Yi's decision, as the wire fences often were an inconvenience.

Yi recently instructed ministry officials to lift the regulation calling for passengers of domestic civil airliners to close window shades during taking off and landing. His instruction was hailed by both airline officials and passengers.

Question: Some say that Korea, when unified, would maintain strong military power. What is your opinion about that?

Answer: Before reunification, South and North Korea should have talks about arms reduction as a precondition of easing tension in the peninsula.

The unified Korea should play the role of the balancer in the Northeast Asia politically, economically and militarily as well, and it should, however, maintain a minimum of military power as the balancer.

Studies have to be launched soon on the appropriate size of our military power and defense policy under the unified Korea.

So it is not that the unified Korea will remain a military power in Northeast Asia.

Q: The increase ratio of the defense budget has been slow in recent years. What do you think about that?

A: We need 4.5 percent of the gross national product as the defense budget for the next three to four years so that our defense capability could reach 80 percent of North Korea's military power.

In the coming years we cannot just remain optimistic about security in the peninsula because the North has continued to develop a biochemical, conventional and even nuclear arsenal, despite the thawing mood in the East-West blocs and inter-Korean relations.

Countries of similar development to us and advanced countries spend some five percent of their GNPs on defense.

Q: The overall changes surrounding the Korean peninsula are heading for peaceful coexistence. What is your estimation about the possible effect such changes would have on the security of South Korea?

A: The ongoing international mood against the Cold War would enhance the possibility that peace will come to the peninsula in the middle and long terms of view.

But in the short term, Northeast Asia does not have a collective security apparatus like Europe and still has some instability caused by the conflict of interests of surrounding nations.

So there still remain elements that would incite North Korea's provocation, and thus I should say that the coming four or five years would constitute the last period of crisis in the security of the Korean peninsula, in which we cannot just remain optimistic.

Q: North Korea recently agreed to the simultaneous entry to the United Nations of both Seoul and Pyongyang, and showed a gesture of changes. What is your view of the intention behind Pyongyang's recent gesture of changes?

A: Many experts say that such a gesture by Pyongyang resulted from its diplomatic isolation, serious economic situation and lessened supports from Moscow and Beijing. They would also say that the North cannot help but change to prevent collapse of its system.

But North Korean leaders also seem to be worried that opening its society to the world will lead to the collapse of system, and thus we cannot rule out the possibility that they may be tempted to take a military risk to find a breakthrough.

We are concerned that North Korea has been developing and importing conventional, biochemical and nuclear weapons despite the East-West thawing mood, and it forces us to suspect the intentions behind their peace gesture.

So the more trouble the North has with its system, the more possibility there is it will take a military risk.

In the 1980s, Pyongyang began to develop Scud missiles, biological and chemical weapons.

Now it has the capacity of producing 4,500 tons of chemical weapons and has already 1,000 tons in store as far as I know.

Q: The phased reduction of the U.S. military presence in Korea has already been announced. What is the ministry's plan of national defense after the U.S. forces are reduced?

A: The reduction and the changed role of the U.S. forces in Korea will be done on a gradual basis, and until the military threat from the North is removed, the joint deterrent capabilities of the South Korean and U.S. forces will be maintained.

But the South Korean side will take the lead in the changed role of the two forces in the defense of South Korea.

In the first phase, some 7,000 U.S. forces, mostly noncombatants, are supposed to withdraw from South Korea by 1992. And a Korean general will replace a U.S. general as commander of the Ground Component Command of the Combined Forces Command, and the ROK-U.S. Combined Field Army will be disbanded next year.

The reduction of the U.S. forces here and its changed role will be done in close consultations between the two sides in such a way as will not have an impact on the military balance in the peninsula.

Q: Recently, a growing number of professional noncommissioned officers and even elite officers want to leave the military. What is your plan to reduce the number?

A: It is a serious matter that a considerable number of officers and especially noncommissioned officers want to retire partly because of their relatively low pay and poor working conditions compared to other sectors of society.

The ministry has worked out medium-and long-term projects to guarantee them their occupational stability. For instance, the ministry is seeking to increase their pay and allowances, give financial assistance for their housing problems. Besides, we have plans to enhance their morale and welfare.

To do all these things, we need, I repeat, more budget. I hope news media will give a special cheer to those who are working hard to defend the nation.

Second-Quarter, First-Half Economic Statistics

SK2208102191 Seoul YONHAP in English 0922 GMT 22 Aug 91

[Text] Seoul, Aug. 22 (YONHAP)—The South Korean economy expanded 9.2 percent in real terms in April-June over the same quarter last year, exceeding the potential growth rate of 8 percent, the central bank reported Thursday.

The Bank of Korea (BOK) put the gross national product for the quarter at 33.66 trillion won based on 1985 constant prices, up from 30.83 trillion won a year before. The GNP [Gross Nationl Product] for the first half of the year was 64.73 trillion won, up 9.1 percent from 1990.

Gross domestic product was tallied at 33.99 trillion won in April-June, up 9.4 percent, and at 65.26 trillion for the first half, up 9.2 percent.

BOK speculated that prices and the international balance of payments were jeopardized by the high rate of expansion. The potential GNP increase (estimated at 8 percent) is the maximum level for the economy with its assets operating fully with no side effect.

Construction grew 15.4 percent in the second quarter, down from 22.7 percent in the first quarter. The growth averaged 18.4 percent for the first two quarters.

The service industry expanded 10.5 percent in the first half, second after construction, while the manufacturing sector grew 8.1 percent in the second quarter, up from 7.5 percent in the first quarter, for a first-half average of 7.8 percent. Manufacturing growth still hovers below the industrial average.

Growth was 4.7 percent in January-June for electricity, gas and water, 4.5 percent for government and non-profit private service industries and 3.7 percent for agricultural, forestry and fisheries businesses.

Brunei, Malaysia & Singapore

Malaysia

Minister: Gorbachev's Reinstatement 'Relief'

BK2208081391 Kuala Lumpur BERNAMA in English 0720 GMT 22 Aug 91

[Text] Kuala Lumpur, Aug 22 (OANA-BERNAMA)—Foreign Minister Abdullah Ahmad Badawi said Malaysia treats with relief reports of Mikhail Gorbachev's reinstatement as President of the Soviet Union as it is confident that he can further contribute to world peace.

"That's what we hope for. We hope the reports are true," he told reporters after opening an "Indonesian Week" exhibition at the Universiti Kebangsaan Malaysia [National University of Malaysia] campus in the East Malaysian state of Sabah, Wednesday.

Abdullah said the Soviet people still needed Gorbachev's leadership.

Malaysia, he said, would continue to monitor developments in Moscow.

"We are not siding with any bloc. We believe Gorbachev's leadership can bring about a situation which can guarantee world peace," he said.

Abdullah said the economic superpowers in particular should back Gorbachev so that he could bring about reforms from which the international community could benefit too.

"We feel he deserves help. We look at him not as a leader of a world bloc ... the Russian bloc, but as one who we should have as a friend.

"May be this is the opportunity for the economic superpowers to help him. They were reluctant to help him earlier and this indirectly caused his ouster. Now we hope the economic superpowers will help," he said.

Abdullah said nothing has changed in Malaysia-Soviet relations.

"But, with uncertainties in that country, we are just as hopeless as to do anything, for example to continue trade links and facilitate travel.

"We must monitor things first. We don't want to be caught with a situation there which makes us less safe," he said.

Singapore

Prime Minister Welcomes Gorbachev's Return to Power

BK2208114091 Singapore Singapore Broadcasting Corporation in English 1100 GMT 22 Aug 91

[Text] The prime minister, Mr. Goh Chok Tong, has welcomed President Mikhail Gorbachev's return to Moscow and the restoration of the legitimate government of the Soviet Union. A statement in the Prime Minister's Office says Mr. Goh was happy that the changes in the Soviet Union can move forward under President Gorbachev. Had the coup succeeded, it would have pushed the Soviet Union back and increased tension in the world. Mr. Goh also praised the Russian Federation president, Mr. Boris Yeltsin, for his courageous leadership and the people of the Soviet Union [words indistinct] the coup.

Politicians Face Election Battle Despite Mandate

BK2108101491 Hong Kong AFP in English 0941 GMT 21 Aug 91

[Text] Singapore, Aug 21 (AFP)—Although their party is assured of another majority after the August 31 general election, Prime Minister Goh Chok Tong and some of his senior cabinet colleagues face plenty of opposition.

When nominations closed Wednesday, their Peoples Action Party (PAP) was assured of a seventh consecutive term since independence when it went unopposed in 41 of 81 constituencies

But Goh and three of his ministers will each—along with three co-candidates from the PAP—face four opposition candidates in their Group Representation Constituencies (GRCs).

In the GRC of Marine Parade, Goh and his PAP colleagues are up against the Singapore Justice Party's Suib Abdul Rahman and three independents, Raja Sekaran Maniyam, Theng Chin Eng and Aminuddin Ami.

Goh and his colleagues polled 41,325 votes out of 62,385 votes cast in the same constituency, then a three-member GRC, in the last general election in 1988.

Minister for Law and Home Affairs Shanmugam Jayakumar and his team face the workers party's A. Balakrishnan, a businessman, and independents Tay Soo Phuan, Sim Say Chuan and John Lim Chiu Liang.

Labour Minister Lee Yock Suan and his group are opposed by Pok Lee Chuen of the National Solidarity Party, and independents Ong Chin Sian, Gertrude Magdeline de Gracias and Michael Chang Wee Hong.

The Singapore Justice Party, the Workers Party and the National Solidarity Party agreed last week not to run candidates against each other, in an effort to avoid splitting the opposition vote.

Meanwhile, Acting Communications Minister Mah Bow Tan and his team will be opposed by independents Ken Sunn, Sarry Hassan, Ong Seng Kwe and Rasiah Thiagarah.

Prominent among those who are to be returned unopposed are Senior Minister Lee Kuan Yew, the former prime minister, Deputy Prime Minister Ong Teng Cheong and Deputy Prime Minister and Trade and Industry Minister Lee Hsien Loong.

Meanwhile, opposition Singapore Democratic Party leader Chiam See Tong said he was confident of retaining his seat in Potong Pasir. Chiam, the only elected opposition member in the 81-member parliament, is opposed by the PAP's Andy Gan Lai Chiang.

Cambodia

Chea Sim Speech Closes Assembly Session

BK2208100991 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 21 Aug 91

[Speech by National Assembly Chairman Chea Sim at closing of the first National Assembly's 21st Session on 19 August—recorded]

[Text] After busily working for six days, the National Assembly's 21st session finished everything on the agenda. Before closing the current session, allow me to report the outcome and the results achieved by our meeting.

In general, this is a concrete result linked to the request and aspiration of our people nationwide. It is also linked to the requirement for national defense and construction in the new and historical phase in which the struggle in every field is being waged most tensely and resolutely. With a high spirit of patriotism and love for the people, our assembly discussed and examined every way and possibility available to our state for quick socioeconomic development [words indistinct], concrete way of life of our people to enable them to enjoy real stability. National and international conditions have undergone profound changes. New difficulties and (?events) unexpectedly took place. [Words indistinct] the Council of Ministers has highlighted the strong and weak points in the implementation of the socioeconomic and financial plan in the first half of 1991 and also provided explanations of good and bad experiences encountered in state and economic administration in a war situation with a reduction of foreign aid and continued economic sanctions against some countries.

Members of our National Assembly acknowledged the immense efforts of the Council of Ministers to transform the economic and financial situation of the country with a responsible spirit and with utmost patience. Furthermore, our Assembly put forward proposals and recommendations for the Council of Ministers aimed at increasing the efficiency and [words indistinct] of all levels of cadres, strengthening and expanding the thrift spirit, and fighting against negative phenomena in our society and nation. A view which was unanimously agreed upon is that we will strive to do everything to increase the people's confidence in our new regime. To achieve this goal, our assembly thinks that necessary measures should be taken to strengthen the ranks of cadres and invigorate the economic forces, military and security forces, and the propaganda machine.

Concerning the building of our real forces, our assembly thinks that measures should be taken on (?two) fronts. Within our state, we should strive to increase the thrift spirit, collect taxes, and state income; create favorable conditions for individuals to contribute to building the national economy by reducing to the minimum, unnecessary administrative steps and eliminating pressure and extortion for personal benefits of corrupt cadres. Conditions should be created for all economic sectors to compete equally and legally, to serve the common interests of the society and nation, ensure the stability of the riel currency, and avoid quick and irregular jumps resulting from subversive activities of criminals.

Economic points along the border should be carefully administered. Price and pay policy and [word indistinct] should be implemented to protect the interests of peasants and employees and encourage private investment in the agricultural and industrial sectors through a flexible and dynamic tax policy. We should continue to build a basis for timely restoration of the economy in accordance with the requirement for developing the national economy, paying attention to implementing tourism policy to increase foreign currency income.

[Words indistinct] pay attention to (?attracting) foreign capital and technology by attracting our residents abroad and foreign companies which want to do business in our State of Cambodia through facilitating the application for visas, business, and travel inside the country. Our cadres should avoid complicated procedures and inappropriate attitudes.

On this issue, the Assembly proposes that the Council of Ministers and relevant ministries examine and (?eliminate) criminal activities of cadres under their jurisdiction and take timely measures to deal with those cadres who behave inappropriately in order to ensure the purity and liberalized policies of our state. This is also in order to prevent the use of [words indistinct] to extract personal benefits, which would damage our state's prestige.

Along with this, our National Assembly also put forward proposals to the Council of Ministers to examine the general administrative procedure being implemented by all levels of state authorities and various ministries, services, and institutions. Some departments and units still (?stick) to bureaucratism and are not (?yet polite) in serving the people and masses. Our assembly holds that all procedures should be reduced and simplified to the minimum to enable the people to have a dialogue with and have confidence in our cadres, reducing unnecessary expenses and waste of time. This is also an important measure to fight against our cadres' negativism.

Concerning the struggle to eliminate negative phenomena in society, our assembly expressed joy at the past results which have strengthened the state's organizations and discipline and increased effectiveness in every field with a new quality. Our assembly has also proposed that the Council of Ministers continue to take longer steps more courageously, dare to decide on remaining negative phenomena, and maintain a close control on ministries, services, institutions, and all levels of people's committees under their jurisdiction. This is aimed at concretely ensuring the rights, freedom, and legitimate interests of citizens and the protection of state property.

In this respect, our assembly expresses the conviction that the promulgation of laws, regulating the exchange of currency, precious metal and stone, at this 21st session will be an important contribution to the Council of Ministers to increase the efficiency in managing the national economy, the exchange and transfer of money, and the circulation of foreign currency, precious metal, and stone in our State of Cambodia.

Along with this, our assembly also paid great attention to consolidating and expanding social legitimacy, which primarily ensures equality, social justice, and the upholding of our people's right to be the master. In this respect, our National Assembly realizes the necessity to increase the competence of (?judges), judicial institutions, and all levels of people's committees in the face of the rapid increase of people's lawsuits, complaints, and judicial cases, which drags on indefinitely. These cases have not yet been solved correctly in accordance with the basic principles of state laws.

On this issue [words indistinct] and the passing of sentence [words indistinct] play and important role regardless of illegal interference from outside circles. Our assembly also pointed out the necessity to take measures to eliminate anarchy and social disorder resulting from disregard and violation of law by a number of our cadres who are still loose on implementing law and who have not yet provided a model example for the masses and people. Units or cadres who have violated the law should be dealt with legally because the law is the entire nation's aspiration and will. In this sense, our assembly expresses the firm belief that promulgation of the law on overland transport at this 21st session is a major contribution to normalizing the situation along public roads and reducing road accidents, the majority of which result from law violation. This should be wholeheartedly and most rigorously adhered to by the people.

Furthermore, our session holds that the promulgation of law on retirement and benefits for those who have lost the ability to work for combatants of the Cambodian People's Army and the law on the ranks of the people's police at this session will consolidate the power of the our Armed Forces to loyally serve the sacred interests of our people throughout the country.

Our National Assembly appeals to all levels of combatants and policemen to heighten their sense of responsibility toward the destiny of the country and nation; strive to expand and consolidate the tradition of struggle and their noble character; heighten their humble behavior, loyalty, and [words indistinct]. At all times, they should consider themselves as children of the people, born from the people, to serve the people, and for the people.

Apart from issues relating to the internal development of our society, our assembly also attentively listened to reports by the Council of Ministers on the search for a solution to the Cambodian problem, which has entered a new and major phase with a decisive character. Our National Assembly highly appreciated the constant efforts, full of patience, of the Council of Ministers to overcome difficulties and great and small obstacles leading to the advance of a political solution and making genuine progress in accordance with the sacred aspiration of our people nationwide.

The results so far achieved have provided the possibility to move toward national reconciliation, mutual trust among Cambodians, [words indistinct] international aspect of the Cambodian problem and have played a more decisive role in pushing the peace process toward a comprehensive solution to the Cambodian problem. Among the isues which have been resolved, the issue of unlimited cease-fire and cessation of foreign military aid [words indistinct] will move the positions of the two sides closer to one another. Our National Assembly would like to welcome the unanimous view of the 12 Supreme National Council [SNC] members, who have unanimously decided to hold aloft Cambodia's sovereignty and even decided on the SNC flag and anthem. They have also decided on Phnom Penh as the SNC headquarters for settling remaining issues and moving toward the final result.

Our entire people and National Assembly highly appreciate the recent precious contributions and wise activities of Samdech Norodom Sihanouk to end the national conflict, which has dragged on for the past more than two decades. At the same time, we also welcome the efforts of all SNC members, who recently agreed on putting the principle of love for the nation and people above other interests and have cooperated in solving the national problem with a genuine sense of responsibility withiout bending to any foreign pressure or influence.

Our National Assembly, which represents the will of the entire Cambodian people, has a sacred request and appeals to the SNC with Samdech Norodom Sihanouk as chairman to actively work and achieve further concrete results on the basis of mutual trust and the common ideal of national reconciliation to end the protracted conflict in order to rebuild the country and nation as an independent, peaceful, democratic, neutral, and nonaligned state without the recurrence of that which caused an (?immense and tragic) catastrophe for our society and nation during the years 1975-(?78.)

At our National Assembly's 21st session, we would like to reiterate again that the State of Cambodia still accepts the 28 August 1990 framework document as the basis for the search for a political solution to the Cambodian problem and is still sincere in accepting most of the 26

November 1990 draft agreement of the five major countries. As for the remaining issues, the State of Cambodia is ready to examine, discuss, and solve them within the SNC with a most constructive spirit. The State of Cambodia has never had the intention of fully rejecting those documents and neither has it had any desire to keep a distance from the framework of the common efforts made by the international community to find a solution. We have always had a profound desire to see the United Nations play its proper role in the Cambodian problem.

From now to the time when a definitive comprehensive political solution is achieved, the National Assembly and the State of Cambodia make the following appeal to the entire international community:

1. To contribute whatever it can to consolidate the possibility achieved by the SNC and transform this into concrete activities which are genuinely useful.

2. To note the common efforts of Comrade Hun Sen and Samdech Norodom Sihanouk which could be the basis for promoting the SNC, which has to solve major issues and other activities in the process to reach a final formula acceptable to all sides.

3. To assist in creating conditions for achieving definite results at the forthcoming meeting in the Kingdom of Thailand and respect all the agreements reached by the SNC.

Along with this, we appeal to the other Cambodian side to adhere to a realistic attitude by putting the common interest of the nation and the people above that of its group in order to achieve a definitive agreement for a comprehensive political solution to the Cambodian problem and to quickly end the conflict and suffering of our people, who have gone through all kinds of hardship caused by the protracted war and past (?disaster).

4. To immediately end the economic and humanitarian aid embargo so that the Cambodian people have time to build the material basis and spirit for national reconciliation. The unjust sanction against the Cambodian people over the past 12 years is just an act prolonging the Cambodian people's suffering and hardship.

Beloved comrades: All this is the result achieved by our assembly at the 21st session. Through these results, we can clearly see that all levels and sectors and the entire people should double efforts to unite around the Kampuchean People's Revolutionary Party and cooperate in carrying out the task in front of us [words indistinct] aimed at achieving our common goal.

From now to the end of the year, the struggle to achieve a political solution to the Cambodian problem remains tense, arduous, and complex. [Words indistinct] and new obstacles will certainly crop up. (?Trials) and socioeconomic development will also raise new problems. Like in the past more than 10 years, complex social and national problems would be solved if we genuinely stand by the masses' view and use the masses as bastion and strength to solve all these common problems. We should implement the slogan "Everything for increasing the people's trust in our new regime", [words indistinct] loyal, patient, assiduous, and humble. All our problems can be solved with the active and vigorous participation of our people.

Upon returning to their respective constituencies, our National Assembly members should disseminate and explain to the masses the common difficulty of the country and nation in the present circumstance in order to heighten the spirit of patriotism and the will to (?restore) social and national gains, and heighten the spirit to actively take part in building the nation and motherland by educating relatives and compatriots not to be lulled into excessive pacifist sentiments to the point of forgetting [words indistinct], production work [words indistinct] and national reconciliation.

In particular, our compatriots should be clearly informed and made to understand that on the road to peace, we should stand by our state's basic principles to avoid the loss of rights and freedom and the interests our compatriots have made efforts to defend for the past 12 years. All phenomena of being in a rush and subjectivity will certainly lead the most cruel danger like in the years between 1975-79.

All of us want to have peace; however the price of this peace is that it should last and with clear guarantee. Efforts to produce, improve the living standards, and build villages, communes, districts, provinces, and the country more firmly are the best way for us to seize, in the most dignified manner, the opportunity for peace and national reconciliation in the future. This [words indistinct] appropriate contribution of our people to speed up a comprehensive political solution to the Cambodian problem in accordance with the sacred aspiration of our people.

Hun Sen Calls on Compatriots To Aid Victims

BK2208070191 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 22 Aug 91

["Message from Council of Ministers Chairman Comrade Hun Sen to Compatriots"—read by announcer; dated 22 August]

[Text] Venerable monks; dear compatriots:

In mid-August 1991, floods caused great destruction to the people of Kompong Speu, Takeo, Kampot, and Kandal Provinces and parts of Phnom Penh City.

This unprecedented devastation has resulted in losses of human lives and have seriously damaged roads, railroads, bridges, dams, dikes, schools, hospitals, houses, and property. (?millions) of hectares of rice fields are flooded, numerous farm animals have died and communications lines have been cut. A large number of people are suffering from a shortage of shelter, food, clothing, daily utensils, and farm tools.

In this emergency, the government appeals to compatriots from all walks of life throughout the country in the spirit of understanding and unity, to assist victims and their families by contributing to the state's efforts to restore the damaged installations.

This assistance can be given as financial donations, food, clothing, mats, mosquito-nets, blankets, farm tools, rice strains and other crops, through the municipal, provincial, district, and ward people's committees or through direct distribution to people in damaged areas.

The youth associations and students in provinces and districts close to the flood-ravanged areas should help victims in building houses, transplanting rice, and repair the damaged infrastructures.

The govenrment hopes all compatriots will display their spirit of unity and mutual assistance in this time of need and difficulty.

[Dated] Phnom Penh, 22 August 1991.

Son Sann Arrives, Meets Khieu Samphan

BK2208093991 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 22 Aug 91

[Text] His Excellency Son Sann, president of the Khmer People's National Liberation Front [KPNLF] and member of the Cambodian Supreme National Council [SNC], arrived in Bangkok on Wednesday to attend the SNC meeting to be held next week in Phatthaya.

Upon arrival at Don Muang Airport in Bangkok at 1230 yesterday, His Excellency Son Sann met with Thai Foreign Minister Asa Sarasin and Khieu Samphan, head of the Democratic Kampuchean faction.

On that occasion, His Excellency Son Sann did not make any comments to newsmen.

Meanwhile, in his reply to questions by newsmen there, Thai Foreign Minister Asa Sarasin said that the situation in the Soviet Union would not affect the Cambodian SNC meeting to be held next week in Phatthaya because it was just an internal affair of the Soviet Union, adding that the Soviet Union would certainly send a delegation to attend next week's SNC meeting on Cambodia.

Meanwhile, Mr. Khieu Samphan said that he believed that the dismantlement of all the Cambodian factions' armed forces and the handing over of the supervisory role to the United Nations would bring peace and stability to Cambodia. He stressed his faction's desire for the UN presence in Cambodia as soon as possible.

Khieu Samphan said that although the UN peace plan dated 28 August was good, he expected that there would be discussions to reach a compromise on some points for which amendment was called for by some factions.

Mutual Concessions 'Most Difficult' Task

BK2208091791 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 22 Aug 91

[Text] Samdech Norodom Sihanouk, chairman of the Cambodian Supreme National Council [SNC], arrived in Bangkok, Thailand, at noon yesterday, Wednesday, in order to convene the SNC meeting in Phatthaya next Monday.

Upon arrival, Samdech Norodom Sihanouk made a statement in which he said that there would be a number of issues to be proposed for consideration by the SNC, adding however that the main topic would be the draft peace plan worked out by the five big countries. The Cambodian resistance movement fully supports this peace plan while Mr. Hun Sen's faction has called for amendment to a number of clauses of the peace plan.

The samdech said that his most difficult task in the coming SNC meeting would consist of trying to bring about mutual concessions so that an agreement can be reached.

Concerning the question on whether a compromise would be possible, the samdech said we shall have an answer on 29 August when the meeting ends.

Also in this statement, the samdech stressed that the Cambodian SNC would hold one or two working sessions on 29 or 30 August with the representatives of the five big countries which are permanent members of the UN Security Council, two cochairmen of the Paris International Conference on Cambodia [PICC]—France and Indonesia, and the special representative of the UN secretary general.

The samdech said in the statement that the United Nations should send to Cambodia as soon as possible teams of observers and advisers to assist the SNC in strengthening the cease-fire and preventing the dispatch of arms into the country.

Faction Calls for Disarming of Forces

BK2208050191 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 21 Aug 91

["Memorandum of the Party of Democratic Kampuchea on Cambodian Armed Forces"; dated 17 August 1991—read by announcer]

[Text] Preamble: How to solve the problem of the Cambodian parties' various forces.

In solving the Cambodian problem politically and comprehensively, there are two documents. The first is the 28 August 1990 framework document of the five permanent members, which was unanimously adopted by the UN Security Council [UNSC] in Resolution 668 and which has been accepted by all four Cambodian parties. This has also been clarified by His Excellency Ahmed Rafiuddin, representative of the UN Secretary General and the Paris International Conference on Cambodia cochairmen on 27 June 1990 at the meeting with the four Cambodian parties under Samdech Norodom Sihanouk's chairmanship in Phatthaya. The clarification reiterates that this document is law for all of us.

The second document is the draft agreement for a comprehensive solution dated 26 November 1990 worked out by the five permanent members and the Paris conference cochairmen. The Party of Democratic Kampuchea [PDK] has already accepted this document.

However, at the proposal of the Phnom Penh side on a number of issues, the PDK agrees that this draft agreement can be discussed, completed, or amended. The PDK is ready to discuss it at the meeting of the Supreme National Council [SNC] under the chairmanship of Samdech Norodom Sihanouk in Phatthaya on 26-28 August in a spirit conducive to the achievement of national reconciliation among all Cambodian parties and a speedy comprehensive agreement.

The PDK, like the other two national resistance forces, holds that the above two documents are sufficiently complete and clear for purpose of achieving a comprehensive agreement. However, some opinions hold that a number of issues remain to be discussed. One of them is the various forces of the Cambodian parties.

On this, the PDK, like the other two Cambodian National Resistance Forces, supports the implementation of the document, which says that all types of forces of all parties should be assembled in camps, particularly under the control of the UN Transitional Administration in Cambodia, with weapons handed over to this organization for inspection. This body will keep all the weapons so that it can take measures to dissolve all forces. This will ensure stability and security in Cambodia and gradual trust among all parties (28 August 1990 framework document, chapters 18 and 19; and 26 November 1990 draft agreement, chapter 1.4, article 1, annex 2.)

However, some people think that some terms in these documents are vague, for example, the term "forces." Some say that some types of forces do not fall under the framework of the measures stipulated in the 28 August 1990 document. In such a situation, the PDK would like to examine some of the forces of each party.

I. Heng Samrin's A-3 armed police.

From 1979 to 1985, the Hanoi Vietnamese dispatched an armed police force called Cong Anh Nhan Dan [Peope's Security Forces] from Vietnam to Cambodia. This was an important strategic force among Vietnamese aggressor forces in Cambodia. They are armed with modern weapons, like Vietnam's regular troops, except for heavy weaponry.

In 1985, when Vietnam launched large-scale military offensives to sweep up the Cambodian national resistance forces along the border in western Cambodia, Vietnam used these armed police as a major force in conjunction with regular troops.

For example, there is a police regiment on the Koh Kong battlefield, two regiments on the Phnum Kravanh battlefield, and a regiment on the south Sisophon-Malai battlefield. Police are also present on the Phnum Dangrek mountain range battlefield and in Kompong Cham. In other Cambodian provinces, this police are present in the form of independent regiments under the command of the Hanoi Vietnamese Interior Ministry whose task is to organize, set up, and administer puppet administration in provinces, districts, communes, and villages. Police play a major role in repressing the people in localities, searching for, arresting, and destroying the Cambodian resistance forces.

At the end of 1985, there was unrest in Vietnam among the Vietnamese, particularly in the new economic zones in south Vietnam. In such a situation, Vietnam was forced to stop sending armed police to Cambodia. So a Cambodian armed police named A-3 was set up instead, with the Vietnamese Armed Police Command—which used to operate in Cambodia—as the core. At that time Vietnamese Interior Minister Mai Chi Tho was directly responsible for this.

How Vietnam operated in setting up the Cambodian A-3 force:

1. Sent Cambodians to Vietnam for training;

2. Selected some for further training in East Germany;

3. Provided further political education in Vietnam before dispatching these men to operate in Cambodia.

Activities of Heng Samrin's A-3 force in Cambodia.

1. A-3 is under the Interior Ministry or Security Ministry. This force is stationed in every locality, district, commune, and village.

2. A-3's tasks are:

A. To repress and arrest Cambodian National Resistance Forces, nationalists, and Cambodians. In doing so, A-3 has the right to ignore all village, commune, and district state authorities.

B. To recruit soldiers to serve in the Phnom Penh Army, round up people for K-5 forced labor in western Cambodia, plunder paddy, rice, and property at will, under the guise of patriotic contributions.

C. To assist in fighting against the Cambodian National Resistance Forces whenever the Phnom Penh Army faces difficuties on the battlefield. Savage and brutal, the A-3 force uses the same weapons as Phnom Penh troops in battle. Stationed in villages and communes, their task is to constantly repress the people and the resistance. The Cambodian people are furious and hate the A-3 men.

The true nature of Heng Samrin's A-3 armed police.

Heng Samrin's so-called A-3 armed police is an armed force no different from other armed forces. There is no difference between them and the South Africa's (KOVET) force in Namibia before independence, or the GESTAPO.

Remarks on some events in Namibia.

In Namibia, the documents did not mention the (KOVET) Armed Forces. The South African administration established this force after the UNSC meeting adopted resolution 435 in 1978. When this resolution was implemented, it became a repressive force against the SWAPO resistance force and the Namibian people who had all been disarmed. Later, they hindered the implementation of the UN peace plan in Namibia. This bitter experience cost the SWAPO resistance and the Namibians many lives. This is why the UNSC finally decided to dissolve the (KOVET) Armed Forces on 29 August 1989.

II. Heng Samrin's civilian police.

Phnom Penh's civilian police set up by Vietnam in 1979 is responsible for maintaining social order. The civilian police operate in Phnom Penh, provincial and district seats, various towns, and along communications lines. The task of the civilian police is to spy, search, repress people, and prevent them from earning a living. Plunder, robbery, tax extortion, confiscation of property, and indiscriminate persecution have taken place. The people's daily life has been greatly restricted and repressed.

Thus, the civilian police set up by Vietnam for the Phnom Penh regime is an instrument to repress the people to serve the Hanoi Vietnamese aggression and occupation in Cambodia. In cities, particularly in Phnom Penh's wards and districts, they round up people for military service in western Cambodia.

III. The PDK's Local Guerrilla Forces

Over the past nearly 13 years, the PDK, like the other two Cambodian National Resistance Forces, has relied on its national and people's forces to build, strengthen, and expand various types of Armed Forces. This has greatly contributed to the struggle to liberate the country, defend the nation, oppose enemies and aggressors, and defend the people's lives and property. The PDK's Armed Forces are divided into mobile forces or regular troops and the local guerrilla forces.

1. The mobile forces or regular troops

This group has been organized into divisions and independent regiments. They have been carrying out military and paramilitary activities in all provinces on defined battlefields.

2. The local forces or guerrillas

There are two groups. The first, regular guerrillas stationed in districts and communes. They are armed with light weapons, such as SK rifles, AK's, B [rocket lauchers], (AT), light, medium, and heavy machine guns, grenades, and mines. They are semi-professional and live as units and in families, scattered or concentrated. They are assembled during large-scale enemy offensives in a locality, province, district, or commune under their responsiblity.

The second group is village guerrillas. They are ordinary citizens living in villages with 50 to 70 percent of them armed with light weapons.

These two groups have played a major role in the struggle in the past 13 years. They live next to villages, communes, and districts. They are ready to surround, attack and tie down, or raid the enemy anywhere. Local guerrillas defend villages, oppose enemy offensives, defend the people's lives and property, oppose cruelty, repression, arrest the enemy in liberated zones and guerrilla bases, and those under temporary enemy control. The two groups of PDK guerrillas also act as the police maintaining order and ensuring people's security in these areas.

With armed forces in villages and communes all over the country, the National Army of Democratic Kampuchea, numbering only a few tens of thousands, has been able to provide a major contribution, along with other Cambodian National Resistance Forces, in fighting against hundreds of thousands of Vietnamese aggressor troops for the past 13 years. This has slowed the Vietnamese aggressors on the battlefield and has caused Vietnam great problems and poverty in every field and sector.

How can we solve the problem of the various types of armed forces of Cambodian parties to ensure a comprehensive solution to the Cambodian problem? Judging from the real situation above, all the Cambodian parties have many types of armed forces. The Cambodian National Resistance Forces, including the PDK, also have many types of forces as they have regular troops and guerrillas in districts and communes and people's guerrillas in villages. Along with the task of fighting the enemy, they also ensure order in villages and communes. Phnom Penh also has a wide variety of forces such as regular troops, the repressive police, and security police.

In such a situation, can the preservation of any type of armed forces of one party provide peace, security, and stability in Cambodia? Can it provide independence to Cambodia? Can the withdrawal of all foreign forces from Cambodia in any form be controlled? Can it ensure Cambodia's peace, security, neutrality, and calm during election?

We think not. In a country such as Cambodia, which has been victim of a savage war for 13 years, even a civilian police force with light weapons is a repressive force as they could take revenge on those who have been disarmed. This is not the same as the civilian police in a country enjoying peace, stability, and calm.

In this situation, there would be no neutrality or justice for an election. There would be no peace and calm in Cambodia, and the peace and stability in Southeast Asia could not be ensured. For this reason, the PDK has the following opinion:

The best way to solve the problem is in accordance with the 28 August 1990 framework document of the five permanent members, resolution 668 of the UNSC, and the 26 November 1990 draft agreement. This method is easy to implement and control; it can solve the problem comprehensively, and ensure national reconciliation among all Cambodian parties in a peaceful and independent Cambodia under the leadership of the SNC and Samdech Norodom Sihanouk.

If any party wants to propose otherwise, the PDK is ready to examine or discuss in a compromising and reconciliatory spirit. The PDK hopes that in this discussion everyone will accept the real situation, i.e. that every party has its various types of armed forces throughout the country, and will strive to find a way to cooperate to achieve a national reconciliation of all Cambodian parties. Also, that they will cooperate with one another to preserve independence, stability, and calm in Cambodia based on the principles stipulated in the 28 August 1990 framework document saying that no one party can dominate others (Chapter three, paragraph one), and to create a neutral political situation (28 August 1900 document, chapter 10.)

[Dated] 17 August 1991

[Signed] The PDK

Indonesia

Dailies Welcome Gorbachev's Return to Power

BK2208064891 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 22 Aug 91

[From the press review]

[Text] MEDIA INDONESIA says Mikhail Gorbachev's return to the Soviet presidency has proved that the world needs an open Soviet Union. In addition, Gorbachev's political opponents fell by themselves because Gorbachev has presented himself as a figure needed in the present era.

In the meantime, SUARA KARYA says the lack of cohesion among the coup leaders has proved they lacked the support of sociopolitical forces.

BISNIS INDONESIA calls on Indonesia to be vigilant in all fields to strengthen the national economy's resilience against global upheavals arising from developments in the Soviet Union.

Officials Call Gorbachev's Return 'Great Victory'

BK2208092991 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 22 Aug 91

[Text] Theo Sambuaga, vice chairman of House Commission I [in charge of foreign affairs, defense, and information], views Mikhail Gorbachev's return to power as a great victory for reforms and democracy in the Soviet Union. Speaking with RRI [Radio Republik Indonesia] in Jakarta this morning, Theo Sambuaga welcomed the latest developments in the Soviet Union where the people's power succeeded in crushing the coup.

[Begin Sambuaga recording] This once again proved that the people no longer wanted a totalitarian or repressive leadership. They had been committed to the ideas of perestroyka and glasnost introduced by Gorbachev in the Soviet Union, a country which had no democratic tradition or openness, as a result of rapid changes undertaken by the Gorbachev leadership over the past five years. The people's power, which for three days countered the coup launched by the hardline leaders, succeeded partly because only a minority of the Soviet military were influenced by the coup leaders. [end recording]

According to Theo Sambuaga, the coup in the Soviet Union was crushed partly due to international support for the leadership of President Mikhail Gorbachev, including from U.S. President George Bush, West European countries, other Western countries, and several Third World countries.

Official Says Ties With USSR To Continue

BK2108090991 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 21 Aug 91

[Text] Indonesian-Soviet economic cooperation is expected to continue and will not be affected by the removal of Mikhail Gorbachev from the Soviet presidency. Samingun, chairman of the Committee for the Indonesian-Soviet Economic Cooperation of the Indonesian Chamber of Commerce and Industry, said in Jakarta yesterday that Indonesia would continue to maintain cooperation while awaiting developments in that country. He said the Soviet Union has a potential market for Indonesia's plantation commodities. Thus, good relations with that country should continue.

According to Samingun, Indonesian-Soviet trade relations have been going on over the past 5 years. That country imports plantation commodities, mainly tea, natural rubber, and palm oil from Indonesia.

Vice President Meets PRC Construction Team

BK2108092191 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 21 Aug 91

[Text] The PRC Government hopes that Sino-Indonesian relations and cooperation in various fields, including the housing field will be further enhanced. A PRC Construction Ministry delegation led by Gan Zhijian expressed the hope during a courtesy call on Vice President Sudharmono at Merdeka Selatan Palace this morning. The meeting was also attended by PRC Ambassador to Indonesia Qian Yongnian and Siswono Yudo Husodo, state minister for public housing. The PRC delegation expressed their government's gratitude over aid extended by the Indonesian Government to flood victims in the PRC.

Minister Siswono said that the Chinese delegation would visit low-cost, medium-cost, and luxury housing projects while staying in Indonesia for several days. In addition, they will also exchange views with officials of the Department of Public Works and the Office of the State Minister for Public Housing.

Daily Reminds Singapore of ASEAN Spirit

BK2208084791 Jakarta MERDEKA in Indonesian 14 Aug 91 p 4

[Editorial: "Singapore Should Remember the Spirit of ASEAN"]

[Text] The 10-day joint Indonesian-Malaysian exercise codenamed "Darsasa 3AB/91" ended last Friday. However, the joint exercise by the armed forces of Indonesia and Malaysia, which coincided with celebrations of the Singapore national day, has provoked a reaction.

The reaction was unpleasant because our neighboring country, situated between Malaysia and Indonesia, expressed concern over the joint exercise codenamed "Darsasa 3AB/91.

The expression of concern by multiracial Singapore has been echoed by THE STRAITS TIMES daily over the past several days.

Malaysian Prime Minister Datuk Sri Mahathir Mohamed finally commented on Singapore's concern. "Singapore should not be worried because we do not have any bad intention," BERNAMA quoted him as saying on Sunday.

He said that the exercise had been planned long before. "We do not have any bad intention toward Singapore," he stressed.

Meanwhile, General Try Sutrisno, commander of the Armed Forces of the Republic of Indonesia stated that there was no reason for Singapore to be worried over the exercise because Singapore had been notified earlier of the exercise.

Gen. Try Sutrisno expressed the hope at the conclusion of the exercise that the joint exercise would further strengthen cooperation and would be a very important factor in promoting efforts to create more harmonious relations and strengthen the determination of the ASEAN countries to achieve stability, peace, freedom, and neutrality in Southeast Asia.

Indonesia and Malaysia have periodically conducted joint military exercises over the past several years. In addition, there have been periodic joint military exercises by Indonesia and Singapore.

Why should Singapore have expressed its concern?

We and Malaysia, along with Singapore, Thailand, Brunei, and the Philippines belong to ASEAN. ASEAN, which was established on the basis of the 1967 Bangkok Declaration, has a strong spirit of unity and cooperation among its members.

"The spirit of ASEAN is far from aggressive and in no way does it orient its members toward a defense pact or militarism."

ASEAN has agreed to turn Southeast Asia into a zone of peace, freedom, and neutrality, known as ZOPFAN. Do the leaders and people of Singapore remember, and are they aware of, this agreement?

Singapore and Malaysia, which used to be one country, may have disharmony for one reason or another. But, it was not proper for Singapore to express its concern over the joint exercise codenamed "Darsasa 3AB/91" involving another party while the concern was in fact directed toward Malaysia.

It is true that, as a sovereign country with its own integrity, Singapore can express its opinion on other countries. Singapore can also show off its power by mobilizing all its military personnel and 250,000 reservists, as it did recently, or conduct military exercises with Australia and the United States. This is its right as a sovereign country with its own integrity. But this should not involve fishing for disputes, nor blowing the winds of enmity toward other countries, especially toward its own neighbors.

Singapore should remember its membership in ASEAN. It should not harm the unity and cohesion which has become the spirit of ASEAN.

Three Secessionist Leaders Killed in Aceh

BK2208062291 Jakarta KOMPAS in Indonesian 13 Aug 91 p 13

[Excerpt] Medan, KOMPAS—Three GPK leaders [GPK is the official term for secessionist rebels in Aceh Province and can be translated as "disturbers of security"] have been killed and several important documents seized in the jungle of North Aceh.

Lieutenant Colonel Ahmad Maryono, head of the Information Service of the First Bukit Barisan Military Region Command, told newsmen in Medan on Saturday night (10 August) that the three GPK "leaders" were killed in a raid coordinated by the people and the Armed Forces of the Republic of Indonesia at 0845 on Wednesday (7 August).

The three dead persons were Jamal Harun (35), who replaced Yusuf A.B. as the self-styled governor of the Pase Region; Yusuf bin Harun alias Fadli (31), the self-styled deputy chief for operations of the Pase Region; and Nurdin Ali, a bodyguard of Yusuf Ali, the self-styled commander of the Pase Region. Yusuf A.B. himself was killed on 1 July last year. [passage omitted]

Ministers To Take Action Against Strike Rousers

BK2208053291 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 22 Aug 91

[Text] The government will take stern action against anyone inciting workers to strike as such strikes will disturb national development. Sudomo, coordinating minister for politics and security, said this at the end of a coordinating meeting on political and security affairs in Jakarta yesterday. The issuance of visa and exit permits to Indonesians wishing to go to the PRC or vice versa, and national security and order were discussed during the coordinating meeting attended by relevant officials in charge of political and security affairs.

The coordinating minister for politics and security said that recent labor strikes in Tangerang had gone too far and tended toward criminalism involving provocation, intimidation, violence, and vandalism. According to Sudomo, this cannot be tolerated because it will threaten stability and disturb national development.

Laos

Reportage on Second Day of Peoples Assembly

Draft Constitution

BK1608094591 Vientiane Vitthayou Hengsat Radio Network in Lao 0855 GMT 14 Aug 91

["Draft Constitution" of the Lao People's Democratic Republic read by Chaleun Yiapaoheu, member of the Supreme People's Assembly Standing Committee, in Vientiane at the sixth session of the second Supreme People's Assembly on 14 August before its was unanimously endorsed by the session in its entirety—live]

[Text] The Draft Constitution

Preamble

For thousands of years, the multiethnic Lao people have united to struggle for their existence and development on this beloved land. More than six centuries ago, during the time of Chao Fa [His Highness Prince] Ngum, our ancestors founded the unified Lan Xang country and built it into a prosperous land. Since the 18th century, the Lao land had been repeatedly threatened and invaded by outside powers. Our people had enhanced the heroic and indomitable traditions of our ancestors and continually and steadfastly fought to gain independence and freedom.

Over the past more than 60 years, under the correct leadership of the Indochinese Communist Party in the past and the Lao People's Revolutionary Party [LPRP] at present, the multiethnic Lao people have carried out difficult and complex struggles full of great sacrifices until they managed to smash the yokes of domination and oppression of the colonialists and feudalist systems, completely liberated the country, and established the Lao People's Democratic Republic [LPDR] on 2 December 1975, thus opening a new era—an era in which the country genuinely gains independence and the people gain freedom.

In the recent years, our people have together fulfilled the two strategic tasks: the tasks of defending and building the country, in which they have gained satisfactory achievements in the initial stage. And now in this period, the social life requires that our state must have a constitution. This constitution is the constitution of the people's democratic regime in our country. It recognizes the great achievements gained by our people in the cause of the national liberation struggle and national construction. It defines the political and socioeconomic systems, the fundamental rights and obligations of citizens, and the system of organization of state apparatuses in the new period. This is the first time in the history of our nation in which the rights to mastery of the people have been defined in the fundamental law of the nation.

This constitution is the fruit of the process of the people in contributing their views throughout the country. It reflects the long-standing aspirations and strong determination of the national community to strive together to fulfill the objective of building Laos into a country with peace, independence, democracy, unification, and prosperity.

Chapter I

Political System

Article 1. The Lao People's Democratic Republic is an independent country with sovereignty and territorial integrity covering both airspace and territorial waters. It is a unified country belonging to all multiethnic people and is indivisible.

Article 2. The state of the LPDR is a people's democratic state. All powers are of the people, by the people, and for the interest of the multiethnic people of all strata in society with workers, farmers, students, and intellectuals as key components.

Article 3. The multiethnic people's rights to be the masters of the country are exercised and ensured through the functioning of the political system with the Lao People's Revolutionary Party as its leading organ.

Article 4. The National Assembly is the organization of the people's representatives. The election of members of the National Assembly shall be carried out through the general principles of impartiality, directness, and secret balloting. Voters have the right to propose the dismissal of their own representatives if they are found to behave in contradiction to their honor and integrity and to lose the people's confidence.

Article 5. The National Assembly and all other state organizations are established and function in accordance with the principle of democratic centralism.

Article 6. The state protects the people's freedom and democratic rights which cannot be violated by anyone. All state organizations and functionaries must popularize and propagate all policies, regulations, and laws among the people and, together with the people, organize their implementations with a view to ensuring the legitimate rights and interest of the people. All acts of bureaucratism and harassment that can be physically harmful to the people and detrimental to their honor, lives, consciences, and property are prohibited.

Article 7. The Lao Front for National Construction, the Federation of Lao Trade Unions, the Lao People's Revolutionary Youth Union, the Federation of Lao Women's Unions, and other social organizations function as rallying organs in promoting unity and mobilizing all strata of the multiethnic people to participate in the tasks of defending and building the country, developing and enhancing the people's rights to mastership, and protecting the legitimate rights and interests of the members of their respective organizations.

Article 8. The state pursues a policy of promoting unity and equality among all ethnic groups. All ethnic groups have the rights to protect, preserve, and promote the fine customs and cultures of their own tribes and of the nation. All acts of creating division and discrimination among the ethnic groups are prohibited. The state implements every measure to gradually develop and upgrade the levels of socioeconomic standards of all ethnic groups.

Article 9. The state respects and protects all lawful activities of the Buddhists and followers of other religious faiths; mobilizes and encourages Buddhist monks and novices as well as the clergy of other religious faiths to participate in the activities which are beneficial to the country and people. All acts of creating discrimination against religious groups and classes of people are prohibited.

Article 10. The state manages the society by the provisions of the constitution and laws. All party and state organizations, mass organizations, social organizations, and all citizens must function within the bounds of the constitution and laws.

Article 11. The state implements the policy of national defense and the maintenance of security among the entire masses and in an all-round manner. The national defense and public security maintenance forces must hold aloft their loyalty to the country and people; carry out the tasks of safeguarding the fruits of the revolution and protecting the lives, property, and labor of the people; and contribute to the tasks of national development.

Article 12. The LPDR pursues the foreign policy of peace, independence, friendship, and cooperation; and promotes relations and cooperation with all countries on the basis of the principles of peaceful coexistence; respect for each other's independence, sovereignty, and territorial integrity; noninterference in each other's internal affairs; equality; and mutual interests. The LPDR supports the struggle of the world people for peace, national independence, democracy, and social progress.

Chapter II

Socioeconomic system

Article 13. The economic system in the Lao People's Democratic Republic [LPDR] is the multisectoral economic system with the objective of expanding production and broadening the circulation of goods and turning the natural economy into a goods-oriented economy in order to increasingly develope the economic establishments and improve the material and spiritual living conditions of the multiethnic people.

Article 14. The state protects, promotes, and expands various state, collective, and individual ownership, as well as private ownership by domestic capitalists and foreigners who make investments in the LPDR. The state encourages all economic sectors to compete and cooperate in expanding production and business. All economic sectors maintain equality under the jurisdiction of laws.

Article 15. The state protects the rights to ownership: rights to governing, rights to utilizing, rights to transferring, and rights to inheriting property of organizations and individuals. As for the land which is under the ownership of the national community, the state ensures the rights to using, transferring, and inheriting it in accordance with the law.

Article 16. Economic management is carried out in accordance with the multisectoral economic mechanism of a market-oriented economy with the adjustment by state, implementing the principle of promoting the centralized, unified management of central brenches in combination with the division of managerial responsibility for localities.

Article 17. All organizations and all citizens must protect the environment and natural resources: land, underground, forests, wildlife, water sources, and atmosphere.

Article 18. The state promotes and gives advice on the development of economic relations, under many forms, with foreign countries on the basis of the respect for one another's independence and sovereignty, equality, and mutual benefits.

Article 19. The state pays attention to developing education in combination with the building of the new generation to be good citizens. The objectives of the educational, cultural, and scientific activities are to raise the level of understanding, the patriotic spirit, the spirit of cherishing the popular democratic system, the spirit of maintaining solidarity and harmony among people of various tribes; enhance the sense of being owners of the country; and implement the compulsory education system at the primary level. The state authorizes the operation of private schools which function under the curricula of the state. The state joins with the people in setting up schools at all levels to turn into a comprehensive system, and pays attention to developing education in areas where ethnic minority people reside. The state promotes and expands the fine, traditional national culture and combines it with the progressive culture of the world; restricts all negative phenomena in the ideological and cultural spheres; promotes culture, art, literature, and information activities, including in mountainous areas; and protects antiques and shrines of the nation.

Article 20. The state pays attention to expanding public health service, allows private sectors to operate medical services in accordance with the state measures. The state promotes the expansion of sports, acrobatics, and tourism; pays attention to taking care of disabled combatants, families of those who have sacrificed their lives and who have committed meritorious deeds for the nation, and pensioned cadres. The state pays attention to pursuing the policy toward mothers and children.

Chapter III

Fundamental Rights and Obligations of the Citizen

Article 21. Lao citizens are the persons who hold Lao nationality as prescribed by law.

Article 22. Lao citizens—irrespective of their sex, social status, education, faiths, and ethnic groups—are all equal before the law.

Article 23. Lao citizens whose age is 18 years and over have the right to vote and 21 years and over the right to stand in elections, except insane persons and persons whose rights to vote and stand in elections have been revoked by a court.

Article 24. Lao citizens of both sexes enjoy equal rights in all respects—political, economic, cultural, and social fields, as well as in family affairs.

Article 25. Lao citizens have the right to receive education.

Article 26. Lao citizens have the right to work and engage in occupations which are not against the law. Working people have the right to rest, to receive medical treatment in time of ailment, to receive assistance in case of incapacity and disability, in old age, and other cases as prescribed by law.

Article 27. Lao citizens have the right and freedom of settlement and movement as prescribed by law.

Article 28. Lao citizens have the right to lodge complaints and petitions and to propose ideas to state organizations concerned in connection with issues pertaining to both the collective and individual rights and interests. Complaints, petitions, and ideas of citizens must be considered for solution as prescribed by law.

Article 29. The right of Lao citizens in their bodies and houses is inviolable. Lao citizens cannot be arrested or searched without warrant or approval of authorized organizations, except in the cases stipulated by law.

Article 30. Lao citizens have the right and freedom to believe or not believe in religions.

Article 31. Lao citizens have the rights and freedoms of speech, press, and assembly; to set up associations; and to stage demonstrations which do not contradict laws.

Article 32. Lao citizens have the rights and freedom to conduct study and to apply any advanced knowledge in science, techniques, and technologies; to create artistic and literary works; and to engage in cultural movements which do not contradict laws and regulations.

Article 33. The state protects the legitimate rights and interests of Lao citizens residing abroad.

Article 34. Lao citizens have the obligations to abide by the constitution and laws and to observe labor discipline, the regulations in carrying out livelihood in society, and the regulations on peace and order of the country.

Article 35. Lao citizens have the obligations to pay taxes, fees, and duties in accordance with law.

Article 36. Lao citizens have the obligation to defend the country, to maintain public security, and to fulfill military obligations as stipulated by law.

Article 37. Aliens and persons having no nationality have the right to have their rights and freedom protected by the provisions of laws of the LPDR. They have the right to lodge petitions with courts or other organizations concerned of the LPDR and the obligations to respect the constitution, regulations, and laws of the LPDR.

Article 38. The LPDR grants asylum to foreigners who are suppressed and persecuted for their fight for freedom, justice, peace, and scientific causes.

Chapter IV

The National Assembly

Article 39. The National Assembly or legislative organization has the right to make decisions on fundamental issues of the country. At the same time, it acts as an organization which supervises and oversees the activities of administrative and judicary organizations.

Article 40. The National Assembly has the following rights and duties:
1. To draft, endorse, and amend the constitution;
2. To consider, endorse, amend, or abrogate laws;
3. To determine, change, and abolish taxes, fees, and duties;
4. To consider and approve strategic plans on socioeconomic development and state budgets;
5. To elect or remove the president of state and vice presidents of state as proposed by the Standing Committee of the National Assembly;
6. To consider and approve the appointment or removal of members of the government on the recommendation of the president of state;
7. To elect or remove the president of the People's Supreme Court and the public prosecutor general on the recommendation of the National Assembly Standing Committee;
8. To decide on the establishment or dissolution of the ministries, ministry-equivalent organizations, provinces, and municipalities and to determine the boundaries of provinces and municipalities on the recommendation of the prime minister;
9. To decide on granting general amnesties;
10. To decide on the ratification or abolition of treaties and agreements signed with foreign countries in accordance with international law and regulations;
11. To decide on matters of war or peace;
12. To supervise the observance of the constitution and laws;
13. To exercise other rights and execute other duties as specified by laws.

Article 41. Members of the National Assembly are elected by the Lao citizens in accordance with the provisions stipulated in the law.

The tenure of the National Assembly is five years.

The election of the new National Assembly must be held not later than two months prior to the expiration of the tenure of office of the incumbent National Assembly.

In the case of war or any other circumstances that obstruct the election, the National Assembly may extend the tenure of its office but it must carry out the election of the new National Assembly not later than six months after the situation returns to normal.

Article 42. The National Assembly elects its own Standing Committee which consists of the chairman, vice chairman, and a number of members. The chairman and vice chairman of the National Assembly are chairman and vice chairman of the National Assembly Standing Committee.

Article 43. The National Assembly convenes its ordinary session twice a year at the summoning of the National Assembly Standing Committee.

The National Assembly Standing Committee may convene an extraordinary session of the National Assembly if it deems necessary.

Article 44. The National Assembly session shall be convened only with the presence of more than one-half of the total number of the National Assembly members.

The resolutions of the National Assembly session shall be valid only when they are voted for by more than one-half of the the total number of the National Assembly members present at the session except in the cases prescribed in Article 53 and Article 80 of the constitution.

Article 45. The organizations or persons that have the rights to propose draft laws are as follows:
1. The president of state;
2. The National Assembly Standing Committee;
3. The government;
4. The People's Supreme Court;
5. The public prosecutor general;
6. The mass organizations at the central level.

Article 46. Laws adopted by the National Assembly must be promulgated by the president of state not later than 30 days after their enactment. During this period, the president of state has the right to request the National Assembly to reconsider such laws. If the National Assembly agrees to adhere to its previous decision in reconsidering such laws, the president of state must promulgate them within 15 days.

Article 47. The questions related to the destiny of the country and the vast interests of the people must be submitted for approval to the National Assembly or the National Assembly Standing Committee during the two sessions of the National Assembly.

Article 48. The National Assembly Standing Committee has the following rights and duties:
1. To prepare for the National Assembly sessions and to ensure the implementation by the National Assembly of the program of activity it has set forth.
2. To interpret and explain the provisions of the constitution and laws;
3. To supervise and oversee the functioning of the administrative and judiciary organizations during the recess of the National Assembly;
4. To summon the National Assembly into session;
5. To exercise other rights and to execute other duties as prescribed by laws.

Article 49. The National Assembly establishes its own commissions to consider draft laws, draft decrees, and state acts for summitting to the National Assembly Standing Committee and the president of state and to assist the National Assembly and the National Assembly Standing Committee in exercising the rights of supervision of the functioning of the administrative and judiciary organizations.

Article 50. Members of the National Assembly have the right to interpellate members of the government, the president of the People's Supreme Court, and the public prosecutor general.

Organizations or persons interpellated must give verbal or written answers at the National Assembly session.

Article 51. Members of the National Assembly shall not be prosecuted in court or detained without the approval of the National Assembly or the National Assembly Standing Committee during the two sessions of the National Assembly.

In cases involving gross and urgent offenses, the organizations detaining members of the National Assembly must immediately report to the National Assembly or to the National Assembly Standing Committee during the two sessions of the National Assembly for consideration and decisions concerning them.

Inquiries and interrogations shall not cause the absense of prosecuted members from the National Assembly session.

Chapter V

The President of State

Article 52. The president of state is head of state of the Lao People's Democratic Republic and the representative of the multiethnic Lao people both at home and abroad.

Article 53. The president of state is elected by the National Assembly with two-thirds of the votes of all members of the National Assembly who attend the meeting. The tenure of the president of state is five years.

Article 54. The president of state may have a vice president as an assistant to act on behalf of the president of state during his absence. The vice president of state is elected or discharged by the National Assembly with the votes of more than half of the total number of the National Assembly members attending the meeting.

Article 55. The president of state has the following rights and duties:
1. Promulgate the constitution and laws as already endorsed by the National Assembly;
2. Issue state decrees and acts at the recommendation of the Standing Committee of the National Assembly;
3. Appoint or dismiss the prime minister and members of the government with the approval of the National Assembly;
4. Appoint, transfer, or dismiss provincial governors and mayors of municipalities at the recommendation of the prime minister;
5. Decide to promote or demote the ranks of generals in the national defense and public security forces at the recommendation of the prime minister;
6. Serve as head of the People's Armed Forces;
7. Preside over a meeting of the government when necessary;
8. Decide on the conferment of the national gold medals, orders of merit, medals of victory, and titles of highest distinction of the state;
9. Decide on granting amnesty;
10. Decide on general or partial military conscription and decide to declare the state of emergency throughout the country or in any particular locality;
11. Declare on the ratification or abolition of all treaties and agreements signed with foreign countries;
12. Appoint or recall plenipotentiary representatives of the LPDR to or from foreign countries, and accept foreign plenipotentiary representatives accredited to the LPDR;
13. Perform other rights and duties as stipulated in the laws.

Chapter VI

The Government

Article 56. The government is the administrative organization of the state.

The government manages in a unified manner the execution of duties of the state in all fields—political, economic, cultural, social, national defense, security maintenance, and foreign affiars.

Article 57. The government has the following rights and duties:
1. To implement the constitution, laws, and resolutions adopted by the National Assembly as well as state decrees and acts of the president of state;
2. To submit draft laws to the National Assembly, draft decrees and acts to the president of State;
3. To map out the strategic plans on socioeconomic development and annual state budgets to be submitted to the National Assembly for consideration and approval;
4. To issue decrees and decisions on the management of socioeconomic, scientific, and technical fields; national defense; security maintenance; and foreign affairs;
5. To organize, guide, and supervise the functioning of the managerial organizations of all branches and of local administrative organizations;
6. To organize and supervise the activities of the national defense and public security maintenance forces;
7. To sign treaties and agreements with foreign countries and guide their implementations;
8. To suspend or revoke any decisions and instructions of the ministries and ministry-equivalent organizations, organizations attached to the government, and local administrative organizations should they run counter to laws and regulations;
9. To exercise other rights and to execute other duties as prescribed by laws.

Article 58. The government is composed of the prime minister, deputy prime ministers, and ministers or chairmen of the ministry- equivalent committees. The tenure of the government is five years.

Article 59. The prime minister is appointed by the president of state with the approval of the National Assembly.

Article 60. The prime minister is the head of the government; guides, supervises, and oversees the work of the government; represents the government in guiding the work of ministries, ministry-equivalent organizations, or other organizations attached to the government; and guides the work of the provincial governors and lord mayors.

The prime minister appoints deputy ministers, vice chairmen of the ministry-equivalent committees, deputy provincial governors, deputy lord majors, and district chiefs.

The deputy prime ministers are the assistants of the prime minister.

The prime minister may assign a particular deputy prime minister to carry out work on his behalf in case he is engaged.

Article 61. The National Assembly may pass a vote of no confidence on the government or any member of the government if the National Assembly Standing Committee or one-fourth of the total number of the National Assembly members raise the question.

Within 24 hours after the vote of no confidence in the government is passed by the National Assembly, the president of state has the right to bring the no confidence question to the National Assembly for reconsideration. The second consideration must be held within the 48-hour interval from the first consideration. If the new vote of no confidence in the government is passed, the government must resign.

Chapter VII

The Local Administration

Article 62. In the LPDR, there are provinces, municipalities, districts, and villages. Provinces and municipalities have governors and lord mayors respectively. Districts have district chiefs and villages have village heads. Governors and lord mayors have deputy governors and deputy lord mayors respectively. District chiefs have deputy district chiefs as assistants. In densely populous villages, village heads have deputy village heads as assistants.

Article 63. Governors, lord mayors, and district chiefs have the following rights and duties:
1. To ensure the strict implementation of the constitution and laws and to organize the strict implementation of regulations, decisions, and instructions issued by the higher levels;
2. To guide and supervise the functioning of all branches of work at all levels under the scope of their responsibilities;
3. To suspend the implementation or to abolish the decisions of all branches of work at their own or lower levels, which contradict regulations and laws;
4. To consider and resolve the petitions, complaints, and proposals of the people under the scope of their rights and power as stipulated by laws.

Article 64. Village heads have the responsibility in organizing the implementation of the state's regulations, laws, decisions, and instructions; maintaining peace and security of villages; and developing villages to become firm in all fields.

Chapter VIII

The Judiciary Organizations

A. The People's Courts

Article 65. The people's courts are the state's judiciary organizations comprising the People's Supreme Court, people's provincial and municipal courts, people's district courts, and military courts.

Article 66. The People's Supreme Court is the highest judiciary organization of the state. The People's Supreme Court scrutinizes the sentences reached by the people's local courts and the military courts.

Article 67. The vice president of the People's Supreme Court and the judges of the people's courts at all levels are appointed or removed from posts by the National Assembly Standing Committee.

Article 68. The people's courts make judgments and pass sentences collectively. During the trials, the judges are to be independent and subject only to the law.

Article 69. The trials of cases at court proceedings must be openly conducted, except in cases stipulated in law. The defendants have the right to defend themselves in the cases of which they are accused. The Board of Legal Counselors have the right to in providing legal assistance to the defendants.

Article 70. Representatives of social organizations have the right to take part in court proceedings as provided by law.

Article 71. The sentences reached by the people's courts, which have become legally effective, must be respected by all the party, state, and social organizations and all citizens. The persons and organizations concerned must strictly implement them.

B. The Public Prosecution Institute

Article 72. The Public Prosecution Institute comprises the public prosecutor general, the public prosecution institutes of provinces, municipalities, and districts, and the military prosecution institutes.

The Public Prosecution Institute has the following rights and duties:
1. To control the unified and correct observance of laws by all ministries, government organizations, social organizations, local administrative organizations, enterprises, state employees, and all citizens;
2. To exercise the right of public prosecution.

Article 73. The public prosecutor general guides the functioning of all public prosecution institutes of the LPDR.

The deputy public prosecutor general is appointed or removed from post by the National Assembly Standing Committee.

Public prosecutors and deputy public prosecutors of provinces, municipalities, and districts and military prosecutors are appointed or removed from posts by the public prosecutor general.

Article 74. In carrying out their duties, the public prosecution institutes are subject only to the laws and instructions of the public prosecutor general.

Chapter IX

Language, Script, National Emblem, National Flag, National Anthem, and Capital City

Article 75. The Lao language and the Lao script are the language and script officially used.

Article 76. The national emblem of the LPDR is a circle depicting in the bottom part one half of a toothed wheel and red ribbon with the inscription "Lao People's Democratic Republic," and decorated with crescent-shaped ears of rice on the two sides and red ribbon with the inscription "Peace, Independence, Democracy, Unification, and Prosperity." A picture of the That Luang Pagoda is located between the tips of the rice ears. A road, a ricefield, a forest, and a hydroelectric dam are depicted in the middle of the circle.

Article 77. The national flag of the LPDR is dark blue with red edges and a white moon. The width of the flag is two-thirds of its length. The area of the red edges on each side is one half of the dark blue area. The area of the white moon is equal to four-fifths of the dark blue area.

Article 78. The national anthem of the LPDR is the "Sat Lao" song.

Article 79. The capital city of the LPDR is Vientiane City.

Chapter X

The Last Provision

Article 80. Only the LPDR National Assembly forum has the right to amend the constitution. The amendment of the constitution requires the vote of approval cast by at least two-thirds of the entire number of members of the National Assembly.

Assembly Endorses Election Law

BK1508074691 Vientiane Vitthayou Hengsat Radio Network in Lao 1030 GMT 15 Aug 91

[Resolution adopted by the Sixth Session of the Second Supreme People's Assembly in Vientiane on 15 August endorsing the Law on Election of National Assembly Members—live; read by Dr. Somphavan Inthavong]

[Text] The Lao People's Democratic Republic [LPDR]: Peace, Independence, Democracy, Unity, and Prosperity [LPDR slogan]

The Supreme People's Assembly [SPA]: No. 12/SPA

The Resolution of the SPA of the LPDR on Endorsement of the Law on Election of National Assembly Members

After having thoroughly studied and discussed the contents of the Law on Election of National Assembly Members, the Sixth Ordinary Sesson of the Second SPA during the afternoon session on Wednesday 14 August 1991 issued the following resolution:

Article One: The SPA has unanimously voted to endorse the Law on Election of National Assembly Members.

Article Two: This resolution becomes effective from the date signed.

[Signed] Nouhak Phoumsavan, SPA chairman

Vientiane, 14 August 1991.

More on Second Days Events

BK1408145391 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 14 Aug 91

[Text] The Sixth Session of the Second Supreme People's Assembly [SPA] carried out its work on the second day under the chairmanship of Nouhak Phoumsavan, chairman of the SPA and head of the Constitution-Drafting Committee. The session proceeded in an enthusiastic atmosphere and 14 more delegates commented on the draft constitution, both in the morning and afternoon session.

Attending the second day of the Sixth Session of the Second SPA as honored guests were Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party Central Committee [LPRP]; Souphanouvong, adviser to the LPRP Central Committee and president of the Lao People's Democratic Republic [LPDR]; and other party and state leaders.

After some SPA members and invited guests commented on the draft constitution, in the afternoon session, Nouhak Phoumsavan pointed out the root issues that dictated the course of the draft constitution, that is, a change in the party's line and policy during the period of building and developing the people's democratic regime. Nouhak Phoumsavan noted that the constitution defined the shape of the state—the people's democratic state—which has sovereignty and territorial integrity, including its airspace and waters. This state is a unified country for the people of all ethnic groups who are inseparable from one another. He said the fundamental principles of the constitution were contained in Articles 1, 2, and 3. They reflect the party's viewpoints. In addition, the essence of the constitution also comes from the substance of the five major domestic policies of our country and its foreign policy. It is also the entire strategic content of the resolution adopted at the Fifth LPRP Congress.

After that, Justice Minister Kou Souvannamethi proposed that the forum hold a debate on the draft law on the election of members of the National Assembly. Then, Chaleun Yiapaoheu, SPA standing committee member, read the 10-chapter, 80-article draft constitution which had been extensively studied and commented upon by the delegates. He subsequently read the 11-chapter, 37-article draft law on the election of members of the National Assembly.

At 1645 [0945 GMT], all 76 SPA delegates attending the session unanimously endorsed the first draft constitution of the LPDR and the law on the election of members of the National Assembly amid the thunderous applause of more than 300 participants.

New Constitution Adopted

BK1508015891 Hong Kong AFP in English 1529 GMT 14 Aug 91

[Text] Vientiane, Aug 14 (AFP)—Deputies of Laos' National Assembly adopted Wednesday the country's first Constitution since the arrival in power of the communists 16 years ago, an official source announced.

The document calls for a political system of "popular democracy," while maintaining that the communist Lao People's Revolutionary Party (LPRP) is to remain the country's "leading core."

The proviso appeared to rule out a multiparty system along the lines of those that have been developed in the last few years in the former communist countries of Eastern Europe, for many year's Vientiane's chief allies.

Yet the Constitution does not mention socialism—which officials said remains a long-term goal—and does institutionalise a market economy.

Guarantees of the right of Laotians to have private property and protection of investments made by Laotians and foreigners were promised, formalising changes which have taken place here in recent years.

Chief among the economic reforms have been important privatisations and the development of a large private sector with Laotian and foreign capital throughout the economy.

The assembly also adopted a new electoral law for the deputies, for whom elections should take place late this year or, at the latest, early next year, officials said.

The new Constitution also assigns important powers to the new president, who is to be elected Thursday—the last day of the assembly session—to replace Prince Souphanouvong, 82.

Premier Kaysone Phomvihane, who as the president of the LPRP's Central Committee is by far the country's most powerful politician, is expected to replace the prince.

According to official sources, he will be replaced at the head of the government by General Khamtai Siphandon, currently the vice premier and minister of defence.

During the assembly's opening session Tuesday, Assembly President Nouhak Phoumsavan said the change was "indispensable to the construction of the economy, to the development of culture and society, and the establishment of a new life for all people."

Accordingly, several articles of the Constitution refer to human rights and legal guarantees of freedom of thought, speech and association—on the condition that "they do not contravene the law."

Also stipulated by the Constitution are judicial measures destined, in principle, to protect Laotians from police abuses.

The three-day session of the assembly should permit this small country, completely surrounded by its neighbours on the Indochinese peninsula, to modernise institutions that the wave of reform which has rolled through most socialist countries have rendered increasingly obsolete, observers said.

After a period of isolation, Laotian leaders have progressively opened the country to the outside world, largely in the face of a severe economic crisis that has left Laos among the world's poorest countries.

National Assembly Meets for 15 Aug Session

New Constitution Endorsed

BK1508072891 Vientiane Vitthayou Hengsat Radio Network in Lao 1030 GMT 15 Aug 91

[Resolution adopted by the Sixth Session of the Second Supreme People's Assembly in Vientiane on 15 August endorsing the new Constitution—live; read by Dr. Somphavan Inthavong]

[Text] The Lao People's Democratic Republic [LPDR]: Peace, Independence, Democracy, Unity, and Prosperity [LPDR slogan]

The Supreme People's Assembly [SPA]: No. 11/SPA

The Resolution of the SPA of the LPDR on Endorsement of the Constitution of the LPDR.

After having thoroughly studied and discussed the contents of the Constitution of the LPDR proposed by the chairman and members of the Constitution Drafting Committee, the Sixth Ordinary Session of the Second SPA during the afternoon session on Wednesday 14 August 1991, issued the following resolution:

Article One: The SPA has unanimously voted to endorse the Constitution of the LPDR.

Article Two: This resolution becomes effective from the date signed.

[Signed] Nouhak Phoumsavan, SPA chairman

Vientiane, 15 August 1991.

Presidential Decree on Constitution

BK1508080891 Vientiane Vitthayou Hengsat Radio Network in Lao 1030 GMT 15 Aug 91

[Presidential decree on promulgation of the Constitution—live; read by Dr. Somphavan Inthavong]

[Text] Lao People's Democratic Republic [LPDR]: Peace, Independence, Democracy, Unity, and Prosperity [LPDR slogan]

No. 56/PR [President of the Republic]

The Decree of the President of the LPDR on Promulgation of the Constitution of the LPDR.

Per the resolution adopted at the nationwide meeting of the people's respresentatives on 2 December 1975 on appointment of the country's president; Law No. 04 on the Supreme People's Assembly of the LPDR promulgated on 19 April 1988; and resolution No. 11/SPA, dated 14 August, of the Sixth Ordinary Session of the Second SPA on endorsement of the Law on Election of National Assembly Members, the president of the LPDR issues the following decree:

Article One: The Constitution of the LPDR is hereby promulgated.

Article One: This decree become effective on the date signed.

[Signed] Phoumi Vongvichit, acting president of the republic

Vientiane, 15 August 1991

Phoumi Vongvichit Resigns

BK1708033691 Vientiane Vitthayou Hengsat Radio Network in Lao 0155 GMT 15 Aug 91

[Speech by Phoumi Vongvichit, acting president of the Lao People's Democratic Republic, at the sixth session of the Second Supreme People's Assembly in Vientiane on 15 August—live]

[Text] Revered senior Buddhist monks, respected members of the Presidium, beloved dignitaries, comrades, and delegates:

I have been honored by Comrade Souphanouvong to hold the post of acting president of state since 1987 when he fell ill. During my tenure I have attentively carried out my duty with assistance from all of you. As a result, I have been able to smoothly and fruitfully fulfill the work of our nation.

Since Comrade President Souphanouvong has resigned today, this means that my time as acting president is ended. Therefore, I take this good opportunity to resign from the post of acting president of state and to relinquish the post of president of state to the person who will be selected by the Supreme People's Assembly [SPA] to assume it. I extend my best wishes to him who will become president. I wish him brilliant successes. I wish the chairman and all members of the SPA good health so they can cooperate with the new president of state to efficiently fulfill our nation's tasks. Thank you. [applause]

Kaysone Accepts Presidential Post

BK1608120591 Vientiane Vitthayou Hengsat Radio Network in Lao 0235 GMT 15 Aug 91

[Speech by Kaysone Phomvihan, president of the Lao People's Democratic Republic, with proceedings moderated by Supreme People's Assembly Chairman Nouhak Phoumsavan, delivered at sixth session of Second Supreme People's Assembly, in Vientiane on 15 August—live]

[Text] [Kaysone] Members of the Presidium, revered senior Buddhist monks, beloved comrade people's deputies, respected guests:

I am very glad and highly honored to be elected as president of state of the Lao People's Democratic Republic [LPDR] by the Supreme People's Assembly [SPA] which represents the multiethnic people of all strata throughout the country. I consider this the recognition of the contribution made by myself together with the party and multiethnic compatriots to the cause of struggle for the independence and freedom of the nation as well as the cause of defending and building our new system. I would like to express sincere thanks to the people's deputies for entrusting me with the noble task and responsibility. I hereby would like to extend heartfelt gratitude and thanks to Comrade President Souphanouvong for concentrating all his intelligence, energies, and precious experiences on performing the duties throughout the past for the revolutionary cause of our people. I also wish to extend thanks to all groups of comrades under the leadership of the party and state for entrusting and proposing me to be elected as head of the state.

At this very significant moment, I would like to take oaths as follows:

1. I pledge to continue to devote myself to the common cause of the nation by concentrating my energy and intelligence on performing duties, in a high spirit of responsibility, under the framework of the Constitution and laws.

2. I pledge to honestly serve the nation and people and to strive to establish and promote unique solidarity within groups or classes and within various state power organizations, as well as among multiethnic people, in order to defend the country and build our popular democratic system to be ever more prosperous.

I am convinced that each and all multiethnic compatriots, cadres, soldiers, and police will further strengthen the solidarity and harmony; enhance the patriotic tradition and the traditions of strugle, perseverance, and industriousness; uphold the spirit of independence and self-mastery; unite as one and fight to overcome various obstacles and difficulties; resolutely adhere to the goals and path of advance of the nation; and organize to translate into reality the resolution of the fifth party congress and the first Constitution, to build Laos into a peaceful, independent, democratic, unified, and propsperous country. Thank you. [applause]

[Nouhak] Now, I would like to ask comrade the president of state to propose the appointment of prime minister.

[Kaysone] As I am elected to take the post of president of the LPDR, to fully perform the duties as head of the state, I, therefore, would like to resign from the post as chairman of the Council of Ministers of the LPDR as from the present. On this occasion, I would like to propose the appointment of Comrade Khamtai Siphandon as prime minister of the LPDR to replace me to direct, supervise, control, and ensure the normal administering of the government work. I hope that the SPA will take into consideration and approve my proposal.

[Nouhak] Now, comrade the president of state has proposed an appointment of Comrade Khamtai Siphandon to take his place as prime minister. Comrade Khamtai Siphandon is considered to be among suitable comrades for this post. I, therefore, would like to ask comrade delegates of the SPA here to vote. Does anyone disagree to this proposal? No one. Does anyone wants to abstain? No one. This means that the SPA session has unanimously voted for Comrade Khamtai Siphandon to be prime minister of the LPDR as proposed by the comrade president. [applause]

[Kaysone] Thank you for approving my proposal. [applause]

Khamtai Siphandon Accepts Post

BK1608134191 Vientiane Vitthayou Hengsat Radio Network in Lao 0245 GMT 15 Aug 91

[Speech by Khamtai Siphandon, prime minister of Lao People's Democratic Republic, delivered at the sixth session of the Second Supreme People's Assembly, in Vientiane on 15 August—live]

[Text] Revered senior Buddhist monks, respected members of the Presidium, beloved people's deputies, distinguished guests:

I am highly honored to be nominated by the president of state to take the post of prime minister of the Lao People's Democratic Republic [LPDR]. The nomination has been approved by the session of the Supreme People's Assembly [SPA] on this occasion. Therefore, I, first of all, would like to extend profound gratitude to the president of state as well as to the SPA for the appointment. I regard this as an entrustment of the lofty honor to me to carry out heavy tasks and responsibilities. It is, therefore, required that I make great efforts and endeavor to fulfill the heavy, but glorious duties as entrusted to me by the party and the SPA.

To concentrate intelligence and energy on directing, supervising, and controlling the government work, I would like to resign from the post of national defense minister. I also would like to propose for an appointment of Comrade Lieutenant General Choummali Sai-gnason to be minister of national defense in my replacement. To direct, supervise, and control the government work, I also wish to propose the appointment of Comrade Khamphoui Keoboualapha—who is currently minister of economy, planning, and finance, and is also in charge of directing the work of the Trade and Tourism Ministry—to take the post of deputy prime minister. I, therefore, would like to ask the SPA to take this proposal into consideration and approve it. Thank you. [applause]

Chaleun Yiapaoheu Reads Resolution

BK1608073791 Vientiane Vitthayou Hengsat Radio Network in Lao 0920 GMT 15 Aug 91

[Resolution of the sixth session of the second Supreme People's Assembly, read at the closing ceremony of the session by Chaleun Yiapaoheu, member of the Assembly Standing Committee, in Vientiane on 15 August—live]

[Text] The sixth session of the second Supreme People's Assembly [SPA] opened at 0840 on 13 August 1991 and closed at 1700 on 15 August 1991. After carefully discussing and deliberating each issue, the session has unanimously agreed upon the following:

1. The session has unanimously endorsed the Constitution of the Lao People's Democratic Republic [LPDR] which was presented and discussed by Nouhak Phoumsavan, chairman of the SPA and chairman of the Constitution Drafting Committee.

2. The session has authorized the SPA Standing Committee and the government to guide and adopt necessary measures to guarantee the strict implementation of the Constitution; explain, publicize, and widely organize training on the Constitution and laws; and bring the Constitution and laws into the practical life of the people with a view to enhancing their sense toward the law, political awareness, and the sense of being the owners of the country. On this basis, the Constitution and laws must be fully and strictly implemented with each passing day; training must be held for main organizing apparatuses, in particular those involved in public prosecution work and people's courts at various levels, to make them

firm and strong in order to ensure the correct enforcement of the law. The most important point is that the contingent of legal cadres must be able to firmly grasp the Constitution and laws to guarantee the correct implementation of the Constitution and laws, as well as the equality of the citizens under the jurisdiction of the laws; justice must be practiced, without taking sides with anyone, in the settling of all problems raised by the people; and all negetive phenomena, which can lead to the people making complaints or which can be used by bad elements, must be avoided. At the same time, it is necessary to consolidate and firmly strengthen the coordination and combination between judicial organizations and police as well as administrations at all levels in order to guarantee the implementation of the Constitution and laws; establish laws step by step in order to concretize the Constitution to turn the law into a comprehensive system conforming to the socioeconomic foundation of our country and to guarantee the quality and firmness of the law.

3. The session has endorsed the law on election of the National Assembly as presented by Kou Souvannamethi, minister of justice.

4. The session has unanimously approved the proposal of President Souphanouvong for his resignation from the post for reasons of health and age. The session expresses commendation and thanks to President Souphanouvong for shouldering and gloriously fulfilling the lofty, honorable tasks and responsibilities of president of state throughout the past 15 years. The session also unanimously approved the proposal of Phoumi Vongvichit, acting president of state, that he resign from the post. The session would like to express thanks to Phoumi Vongvichit for shouldering and gloriously fulfilling his lofty tasks and responsibilities as acting president of state.

5. Based on the propopsal of Nouhak Phoumsavan, chairman of the SPA, the session unanimously elected Kaysone Phomvihan, chairman of the Lao People's Revoletionary Party [LPRP] Central Committee and former chairman of the Council of Ministers, as president of the LPDR.

6. Based on the proposal of Kaysone Phomvihan, president of the LPDR, the session unanimously approved the appointment of Khamtai Siphandon, former vice chairman of the Council of Ministers and former minister of national defense, as prime minister of the LPDR. The session unanimously approved the appointment of Khamphoui Keoboualapha, minister of economy, planning, and finance, as deputy prime minister. The session unanimously approved the appointment of Lieutenant General Choummali Sai-gnason, as minister of national defense.

7. The session approved the socioeconomic development plan for the 1991 state budget as presented by Khamphoui Keoboualapha, deputy prime minister and minister of economy, planning, and finance. The session also proposed that the government adopt necessary measures to limit the deficit between revenue and expenditure in order to balance the budget step by step.

8. The session praises and hails the cadres, state employees, soldiers, police, multiethnic people of all strata, and all branches of services at all levels for positively contributing to the process of establishing the draft constitution. The session calls on the multiethnic people of all strata, Buddhists, and believers of other religions as well as Lao residents abroad to study and learn the constitution of the LPDR to ensure the implementation of the rights to mastery of the multiethnic people and the fundamental rights and obligations of the Lao citizens as stipulated in the Constitution and laws, concentrate all their intelligence and energies on building a new, plentiful, and prosperous life, and contribute to building peaceful, independent, democratic, unified, and prosperous Laos.

[Dated] Vientiane, 15 August 1991

Nouhak Phoumsavan Give Speech

BK1808134991 Vientiane Vitthayou Hengsat Radio Network in Lao 0928 GMT 15 Aug 91

[Speech by Nouhak Phoumsavan, chairman of the Supreme People's Assembly, delivered at the closing of the sixth session of the Supreme People's Assembly held in Vientiane on 15 August—live]

[Text] Revered senior buddhist monks, respected members of the presidium, respected distinguished local and foreign guests, beloved dignitaries and members of the Supreme People's Assembly [SPA]:

For three days, our forum has vigorously carried out our work together with a sense of high responsibility developed by all SPA members and representatives of the people of all strata and classes. Now, it can be said that we have gloriously fulfilled the fundamental task entrusted to us by the people. [applause]

The fulfillment of this important task has created a sense of elation among the entire Lao people. SPA members, party and state leaders, distinguished dignitaries, members of the diplomatic corps, representatives of the international organizations, and representatives of various local and foreign news and press agencies who have given extensive coverage to the proceedings of this session.

Our assembly has unanimously endorsed the Constitution of the Lao People's Democratic Republic [LPDR]. It has also unanimously adopted the Law on the Election of National Assembly Members. Both of them have been promulgated into laws by decrees issued by the president of state.

Comrade Souphanouvong, president of state, and Comrade Phoumi Vongvichit, acting president of state, have offered to resign from their posts. This forum fully realized that Comrade Souphanouvong has shouldered a great deal of responsibility since the liberation of the country and so has Comrade Phoumi Vongvichit. The two comrades have brilliantly fulfilled their respective duties. Now they have advanced considerably in age and their health has become fragile. Therefore, they have offered to resign from their posts. Their resignations have stemmed from their justified wishes. As such, the assembly has unanimously approved the requests of the two comrades. On behalf of the SPA, I would like to thank the two comrades for having made so many great contributions to the revoltionary cause of our people and to the management of our society.

To facilitate the management of the country, the assembly has unanimously elected Comrade Kaysone Phomvihan, chairman of the party Central Committee and former chairman of the Council of Ministers, president of the LPDR, due to his great influence and integrity both at home and abroad. The assembly has unanimously endorsed the appointment of Comrade Khamtai Siphandon, former vice chairman of the Council of Ministers as prime minister of the LPDR; the appointment of Comrade Khamphoui Keoboualapha as deputy prime minister and minister of economy, planning, and finance; and the appointment of Comrade Lieutenant General Choummali Sai-gnason as minister of national defense. In addition, the assembly has also unanimously considered and adopted the socioeconomic plan and the state budgets for 1991.

Comrades and dignitaries, the endorsement of the Constitution marks a significant political turning point in our domestic and foreign affairs. It is the first time in history that we have constructed a constitution to recognize the right of our country to possess genuine independence and freedom and the gains from our multiethnic people's struggle and labor in the past, as well as the fruits of their national defense and construction in the present. The Constitution we have endorsed clearly defines the political and socioeconomic systems, the organizing of state apparatuses, the people's right to mastery, and the rights and democratic freedom of Lao citizens. It is the first time that the rights and interests of the people of all classes and ethnic groups have been stipulated in the Constitution. All this serves to further strengthen the multiethnic people's confidence in the state and the people's democratic regime. Now, our state has advanced from the status of having no constitution into a society with a constitution and laws. From now on, we must gradually and systematically transform this Constitution into many laws and regulations with a view to protecting our citizens' rights to mastery and democratic freedom, maintaining state laws and social peace and order, and doing away with all acts deemed to be an offense against, and violation of, laws and regulations.

We are now marching forward to manage our country by means of the Constitution. In essense, it means that we are building (?our country) into a single entity. This Constitution will serve to consolidate the unity among our people in all ethnic groups. This constitutes an important and necessary fundamental condition for us in defending and building our country, building and developing the people's democratic regime, and continuing to pursue the policy of restructuring in an all-round and systematic manner along the line charted at the Fifth LPRP Congress.

In recent years, our friends throughout the world might have expressed concerns and have asked questions on the issue of the human rights of Lao citizens, their democratic freedom, their right and freedom to profess religious beliefs, and their right to operate private business enterprises, as well as the open-door policy pursued by our party. I believe that the Constitution we have just adopted is the answer to all these questions. The contents of the political system, the socioeconomic system, and the rights and freedom of our citizens defined in the Constitution totally conform to the level of the socioeconomic development achieved in the past 15 years of defending and building the country. All the policies specified in the Constitution clearly conform to the aspirations of the multiethnic people. Thus, the Constitution we have just promulgated will certainly gain the support of the people. Such support will become an impetus for an effective implementation of the Constitution.

Beloved delegates, the Constitution has just been endorsed by this state organ representing the entire masses. But it is equally important for us to know what we are going to do to ensure that this charter will be strictly respected and observed. The observance of the Constitution is the duty of our entire masses, all party and state organizations, the Armed Forces, mass organizations, and all services at all levels from the center down to the grass roots.

To ensure strict and complete implementation of the Constitution, I recommend that we pay attention to fulfilling the following tasks:

1. We must popularize and propagate the Constitution and other laws among all cadres, soldiers, policemen, and people. This is an important issue in the implementation of the Constitution and other laws. First of all, everyone must be encouraged to appreciate the contents of the Constitution and other laws. Our people have maintained the traditions of patriotism and have highly cherished independence and freedom for a long time. Nonetheless, due to the fact that their cultural standard still remains low, we must therefore employ all kinds of methods to popularize and and educate them, in simple language, with the contents of the Constitution and other laws. First, we must pay attention to thoroughly explaining the contents of the Constitution and laws to cadres of all branches and at all levels. This is because all cadres are directly charged with the implementation of these charters. If cadres fail to understand the contents of the Constitution and laws, they themselves are the ones who will become the offenders of these codes in the first place, thereby depriving the people of their rights and interests. That is why cadres, soldiers, and policemen are different from the public in general in the implemention

of the Constitution and laws. The process in popularizing and propagating these documents must be conducted in a continual, relentless, and prolonged manner. It is illogical to expect the public to readily understand the contents of the charters after they have studied them only a few times. All services must carry out this campaign in earnest to ensure that the organizing of the implementation of this task is effective. But we must always keep in mind that the process of popularizing and propagating the Constitution and laws must be undertaken on a gradual basis. On the basis of this process, we must simultaneously heighten a sense of awareness toward laws and regulations, a sense of political awareness, and a sense of pride in our nation. We must strive to increase the unity among our multiethnic people to forge them into a unit of consolidated strength to continue defending and building the country, and building and developing the people's democratic regime.

As for you comrades SPA members and representatives of the multiethnic people of all strata and classes at this meeting, once you return home, you must report the outcome of this forum in its entirety to our cadres, soldiers, policemen, and people back in your respective localities. You must consult with your respective leadership organizations in working out appropriate programs to popularize and propagate the contents of the Constitution and laws in a thorough manner in all urban and remote localities to consolidate and strengthen the people's confidence in the new regime.

2. It is necessary that we consolidate the judiciary apparatuses. It is the duty of the following two state organs to ensure that the implementation of the Constitution and laws be correctly executed: the People's Court and the Public Prosecution Institute. These two organs have the duty to protect the Constitution and laws, the right to mastery and the democratic rights of all citizens, and the rights and interests of the state and people. The two organs must see to it that all acts that offend against the above charters are subject to punishment. These two organs must not act in a way in which innocent persons are punished while the guilty parties are allowed to go unpunished. They must correctly and honestly implement all laws along the line that all citizens are equal before law. They must not protect or side with their loved ones or friends in conducting legal proceedings.

In addition to consolidating the judiciary apparatuses, we must also do likewise with judiciary functionaries. Judiciary cadres must live a simple, moral life. They must uphold justice, be loyal to the new regime, and possess a genuinely public-serving spirit. Judiciary cadres must be given political education and training so as to consolidate their confidence in our policies and views. At the same time, their qualifications must also be enhanced. Their knowledge in legal affairs must be increased so that they can make correct judgments in conducting legal cases. They must end public complaints that verdicts reached by them on legal cases are unjust.

3. We must strengthen and upgrade the legal system. Prior to the endorsement of the Constitution, the state enacted and put into practice many laws to address some fundamental problems of the country. Our law drafting cadres are known to have tried their best to do their job. However, some of the laws in enforcement now may have been drafted in haste. As a result, when they are actually enforced, certain problems may crop up. Therefore, it is necessary that our organizations concerned thoroughly study the contents of the Constitution and, at the same time, reexamine the various laws in use at present to determine whether some articles in these laws should be amended to conform to the contents of the Constitution and the reality in society. The drafting of laws must reflect the appropriate relations of social factors. Such relations must conform to the reality, the level of socioeconomic development, and the cultural standard and aspirations of our people both at present and in the future.

Beloved compatriots, in the recent decades, our entire compatriots heroically engaged themselves in a struggle to liberate our country. They finally won a complete victory. In the past 15 years, they have joined hands together to carry out the tasks of defending and building the country. Now, our state has come to possess a constitution. This Constitution is the constitution of a country having genuine independence, unification, and freedom. It is the first time in the history of our nation that our people genuinely have the right to mastery—the right that has been stipulated in the Constitution. During the campaign to propagate the draft constitution last year, many of our compatriots made numerous valuable comments on it. That gesture clearly showed your responsibility as good Lao citizens toward our country and the strong aspirations of our people to build and develop the people's democratic regime in accordance with the resolution adopted at the Fifth LPRP Congress.

On this occasion, I call on all our compatriots, including those of you who are working and earning your living abroad, to hold aloft the patriotic spirit and love of the new regime, to further enhance a sense of mastery, to increase the unity and harmony among our multiethnic people, and to earnestly implement the Constitution in order to build a new plentiful and happy life, thus contributing to building our country with peace, independence, democracy, unification, and prosperity.

Once again, I would like to thank respected Comrade Kaysone Phomvihan, chairman of the party Central Committee and president of the LPDR, and other party and state leaders. At the same time, I would like to thank all the distinguished guests, members of the diplomatic corps, representatives of the international organizations, and representatives of all local and foreign press and news agencies for your presence at this assembly.

In conclusion, with my best wishes, I hope that all SPA members and representatives of the multiethnic people of all strata return home safely so that you can join hands with our people to win even more new victories.

Now I officially declare the sixth session of the Second SPA closed. Thank you. [applause]

Session Concludes

BK1508125191 Vientiane KPL in English 0907 GMT 15 Aug 91

[Text] Vientiane, August 15 (KPL)—On the 3rd day of the 6th session of the People's Supreme Assembly [PSA], (second legislature) today, the session unanimously elected Mr. Kaysone Phomvihane as president of the republic and General Khamtai Siphandon the new prime minister of the country

The session also adopted the appointment on Mr. Khamphouai Keoboualapha as vice-prime minister and minister of economy, planning and finance, and the appointment of Lieutenant General Choummali Sai-gnason as minister of national defence.

This morning, after Dr. Somphavan Inthavong, member of the Standing Committee of the PSA read out the resolution of the PSA on the adoption of the new constitution and the decree of the president on the enforcement of the constitution of the Lao PDR [Lao People's Democratic Republic]. The session passed the resolution of the PSA on the adoption of the law on the election of members of the National Assembly and the decree of the president on the enfornement of the law on the election of members of the National Assembly.

The session accepted the requests of the republic's President Souphanouvong and Acting President Phoumi Vongvichit to be relieved from their posts due to their health and old age.

The session then unanimously elected president of the LPRP CC [Lao People's Revolutionary Party Central Committee] as the new president of the Lao PDR.

Mr. Kaysone Phomvihan addressed the assembly, accepting his new post as president of the republic and his relief from the post as the chairman of the Council of Ministers. He then made a proposal that Gen. Khamtai Siphandon becomes the prime minister and exercises his duty as prime minister as specified in article 60 of the Constitution.

Gen. Khamtai Siphandon accepted his new post and made the request to terminate his function as vice chairman of the Council of Ministers and minister of national defence. He proceeded to propose Mr. Khamphouai Keoboualapha to take the post as deputy prime minister and minister on economy, planning, and finance, and in charge of matters concerning trade, and tourism.

The new prime minister also asked the assembly to adopt his nomination of Lieut. Gen. Choummali Sai-gnason to become minister of national defence.

Following the election, the sixth session of the PSA studied and adopted the socio-economic programme and the 1991 budget presented by Deputy Prime Minister Khamphouai Keoboualapha.

The sixth session of the PSA (second legislature) was adjourned in the afternoon of August 15 after three days of deliberation.

Banquet on Success of Assembly Held 15 Aug

BK1608101891 Vientiane KPL in English 0915 GMT 16 Aug 91

[Text] Vientiane, August 16 (KPL)—The People's Supreme Assembly [PSA] Standing Committee yesterday evening hosted a banquet to welcome the outcome of its 6th session opened on 13-15 August 1991 at the new National Assembly house, in That Luang Square.

Among the guests to the banquet were President of the Lao PDR [People's Democratic Republic] Kaysone Phomvihan, President of the PSA Nouhak Phoumsavan, Prime Minister Khamtai Siphandon, former President Souphanouvong, former Acting President Phoumi Vongvichit, other party and state leaders.

Heads of the diplomatic corps and of international organisations in Laos also attended the banquet.

After the banquet, the guests enjoyed the artistic performance.

Results of 14-15 Aug Assembly Sessions Reported

BK1508120291 Vientiane KPL in English 0926 GMT 15 Aug 91

[Text] Vientiane, August 15 (KPL)—The Sixth Session of the People's Supreme Assembly (second legislature) yesterday afternoon unanimously endorsed the Constitution of the Lao People's Democratic Republic after one and a half days of thorough study and deliberation.

Having waited some years, now Laos has the Constitution as a basis for the administration of the society. Before the endorsement of this constitution, some 30 delegates to the session took the floor, some of their relevant points were included to improve the draft.

The result of the debate on each chapter and article of the draft Constitution was to the satisfaction of all delegates.

In addition to the Constitution, the session endorsed a law on the election of members to the National Assembly. The law is the latest among over 10 laws, which have been endorsed and enforced so far.

The session also adopted the socio-economic development plan and the state budget for 1991.

At the session this morning, the National Assembly unanimously passed its resolution covering several important issues. The session also agreed to relieve president Souphanouvong and acting president Phoumi Vongvichit from their posts on the grounds of their health and old age.

Then it endorsed the election of Mr. Kaysone Phomvihan, president of the Lao People's Revolutionary Party Central Committee, former chairman of the Council of Ministers to the post as president of the state, Mr. Khamtai Siphandon, former vice chairman of the Council of Ministers and former minister of national defence, as prime minister.

The session also endorsed the appointment of Mr. Khamphouai Keoboualapha, minister of economy, planning, and finance, as vice prime minister, and of Lt. General Choummali Sai-gnason, former vice minister of national defence, as minister of national defence.

Vientiane Rally Applauds SPA Session

BK1608035091

[Editorial Report] Vientiane Vitthayou Hengsat Radio Network in Lao at 0130 GMT on 16 August begins a live broadcast of a rally held at Vientiane Theater in Vientiane to "welcome the success of the Sixth Session of the 2d Supreme People's Assembly [SPA]."

Reviewing the 13-15 August SPA proceedings, including passage of Laos' first Constitution and the election of new President Kaysone Phomvihan, the radio announcer says: The official opening of the rally will begin at 0200 GMT. The Presidium of the rally consists of 10 people: Oudom Khatthi-nga, Chaleun Yiapaoheu, Dr Siho Bannavong, Dr Somphavan Inthavong, Channong Inthavong, Chanda Khamsi, Mrs. Sommai Vongnakhon, Bounphong Phommachan, Bouaphet Chanthapan-gna, and Khamdeng Outhaivong. Over 1,000 people are attending the rally.

Prior to the beginning of the rally, at 0137 GMT the radio broadcasts a recorded statement by Chaleun Yiapaoheu, member of the party Central Committee and Constitution Drafting Committee, during a 15 August news conference on major aspects and objectives of the Constitution and factors considered in drafting the draft constitution.

At 0158 GMT the radio announcer reports the arrival of the Presidium members, thus marking the official opening of the rally.

Siphan Chanthalangsi, on behalf of the committee in charge of organizing the rally, takes the platform and announces that the rally is meant to welcome the first constitution of the Lao People's Democratic Republic. He then introduces the Presidium members to the audience and invites Dr Siho Bannavong to address the rally.

At 0205 GMT Dr. Siho Bannavong, vice chairman of the Vientiane Municipality Administrative Committee and member of the Municipal Party Committee, applauds the unanimous endorsement by the Supreme People's Assembly of the country's first constitution. He thanks all parties concerned for their contributions to development of the capital of Vientiane over the past 15 years. He reviews the noble objectives of the Constitution and how it will help facilitate administration of the country and socioeconomic development and boost the country's prestige in the international arena.

Siho then explains important chapters of the Constitution concerning the political and economic system, education, Lao citizens' rights and obligations, and the state's role in these areas. He praises the SPA, the Constitution Drafting Committee, and SPA Chairman Nouhak Phoumsavan for their efforts leading to passage of the Constitution. On behalf of Vientiane residents, he welcomes this first constitution of the country and pledges to strictly abide by it, strive to fight natural disasters, increase production, pay more attention to public health services, defend and popularize national culture, keep Vientiane City clean, promote a sense of patriotism, and continue to cooperate with all countries to defend regional and world peace.

At 0230 GMT, speaking on behalf of Vientiane residents, Bouaphet Chanthapan-gna welcomes the passage and promulgation of the Constitution and expresses thanks to the SPA and the Constitution Drafting Committee for enactment of the Constitution as well as other laws.

At 0248 GMT Chaleun Yiapaoheu, on behalf of the Presidium, reviews the work of the 2d SPA Session during the past 2 years. He notes the promulgation of other laws and how the Constitution Drafting Committee drafted the Constitution before forwarding it to the people for study and revision, until it finally reached the SPA for endorsement on 14 August. He explains the significance of the Constitution and the meaning of certain of its chapters.

At 0305 GMT Siphan Chanthalangsi declares the end of the rally.

Inadequacy in Public Health Work Reported

BK2108100691 Vientiane KPL in English 0916 GMT 21 Aug 91

[Text] Vientiane, August 21 (KPL)—The health care and medical treatment services in the country remain unsatisfactory because of the lack of medical equipment in various hospitals.

Deputy Health Minister Dr. Thongphan said this at a recent meeting to review the public health performance in the second half of this year. Attending the meeting were 160 public health officials attached to the Public Health Ministry and from Vientiane, Khammouane, Bolikhamsai, and Sayabouly Provinces.

The deputy minister disclosed that now across the country there are 933 hospitals—big and small—with 8,244 beds, 1,130 doctors, 2,583 assistant doctors, and

5,985 medical workers. This means every 10,000 people has 19.37 beds, 2.60 doctors, 6.07 assistant doctors and 14.06 medical workers.

She further said most of the existing medical equipment are old and damaged, and the present supply is inadequate. Hence this has affected the professional activities of the hospitals.

Incentives To Lure Foreign Business Increased

BK2008035191 Bangkok BANGKOK POST in English 20 Aug 91 p 18

[Text] Vientiane—The Laotian Government has initiated further incentives to promote foreign investment as part of efforts to overhaul outdated policies and bring the country into line with its first constitution advocating rapid development.

Laotian First Vice Minister for Foreign Economic Relations, Dr. Bountiam Phitsamai, said his ministry had improved a number of policies based on the new constitution, which will provide protection for foreign businesses and grant them equal treatment as local companies.

He said the new policies included improvements in the taxation system and lifting import tariffs on machinery and income tax on agro-businesses for the first four years or thereafter until a business can record a profit for two consecutive years.

Trading companies and tourist-related businesses, including hotels, will also be tax-exempt, but for the first two years only as Dr. Bountiam said these activities could become established in only a short time.

The vice minister said the new taxation system would only apply to investments of at least 100 million baht.

Thailand is the major foreign investor in Laos in terms of projects with 62 already approved by the Ministry of Foreign Economic Relations.

Dr. Bountiam said the second-largest investor was France, followed by the United States, Australia, Britain, Canada, Hong Kong, the Soviet Union and Sweden.

The US is the leading investor in terms of capital intensity, spending 1,500 million baht on 11 projects, while Thai investment amounts to 1,750 million baht with 850 million baht of this in the form of joint ventures with Hong Kong.

France and England have invested 275 million baht each and Japan 37.5 million baht.

Dr. Bountiam said Japan had only recently entered the country, and more as an aid donor and trader than an investor.

Some Japanese companies are selling goods which they produce in Thailand, while others are mainly contractors.

China is also approaching investment in Laos similar to Japan, he said.

The vice minister said he expected more Japanese companies before the end of the year, especially after the Thai-Lao bridge is built in Nong Khai with assistance from Australia.

He said there were plans for Japanese investment in a factory to produce corrugated zinc, auto parts for Suzuki motors and a processed timber factory. A Japanese team is also conducting a feasibility study into gem mining.

Laos is known to possess an abundance of precious stones, especially in Bokeo province just north of Vientiane.

A Japanese company is very interested in starting a cement factory in Vientiane. The details are now being worked out with a contract worth nearly 500 million baht expected to be signed later this year.

Dr. Bountiam said Laos preferred a Thai company to invest in its cement industry, but none had shown any interest.

Honda and a Thai partner are expected to start a joint venture in Vientiane soon.

Two Thai gem companies have withdrawn from Laos after failing to locate secure supplies, but these are expected to be replaced by other Thai companies.

Dr. Bountiam said a number of Thai companies might have been affected by last month's order temporarily suspending logging while the government reshaped its logging policy.

The government plans to survey its forests nationwide to determine which are most appropriate for commercial exploitation.

Dr. Bountiam said there were plans to shift from indiscriminate logging by private timber companies to logging in concession areas only and instituting simultaneous reforestation.

Thai timber companies in the past have been allowed to secure logging rights direct from provincial authorities without having to seek permission from Vientiane.

Dr. Bountiam said Laos would have much greater potential for foreign investment beginning next year as there was no internal competition and everything produced could be sold domestically or shipped abroad.

He said Laos might represent only a small market of four million people, but this was not a problem as it could act as a transshipment centre for exporting goods to fellow Indochinese states of Vietnam and Cambodia.

Another advantage in investing in Laos is its imminent receipt of aid from international organisations. The

United Nations Development Programme and Thailand are also working on the possibility of building a dam in Laos.

Dr. Bountiam said most goods currently available in Laos were made in Thailand, but he thought everything produced in Laos could be exported, especially to the Soviet Union.

Government Flood Warning Issued in Wake of Storm

BK1808114991 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 17 Aug 91

[Instruction issued on 17 August by Khamtai Siphandon, prime minister of the Lao People's Democratic Republic, to all ministers, heads of ministry-equivalent organizations, provincial governors, and lord mayor of Vientiane Municipality on preparations to fight against floods]

[Text] While some localities have been lately ravaged by drought, many others have also been faced with floods, for example some areas in Oudomsai and Phong Saly Provinces.

According to a report of the Metereological and Hydrological Department, beginning 16 August Typhoon Fred has been moving toward our country. This tropical storm is expected to cause strong winds and heavy rains for three or four days throughout the country. It should also be noted that due to heavy rains in the northern region of our country in the past week, the water levels in many tributaries of the Mekong River are rapidly rising, thus contributing to a rapid rise of the water level in the Mekong River as well. The water levels in many provinces have thus far nearly reached a critical point. It is predicted that by late this week, the already high water level in the Mekong River will be rising even higher due to additional rain water caused by the storm. As a result, many localities, especially those located along the banks of the Mekong River, will probably be hit by floods.

To minimize any damage which may be caused by this storm, the Prime Minister's Office issues an instruction to all the ministries, ministry-equivalent organizations, and provinces throughout the country, instructing them to immediately carry out the following tasks:

1. The Ministry of Agriculture must supervise the Metereological Department to closely follow the movement of this tropical storm and forward any data on its movement to the news agencies to be broadcast on radio programs so as to give warnings to the people to make preparations to fight against the imminent floods.

2. The natural disaster prevention committee in each province is instructed to draw up practical measures to solve an eventual flood problems, including conducting a thorough survey to determine areas where water overflowing the banks of the Mekong River may be able to penetrate so that they can be repaired. Damaged river embankments must be reinforced and water gates must be inspected and strengthened. In the meantime, transport vehicles, equipment, trucks, fuel oil, buckets for sand fills, and shovels must be secured, and emergency shelters prepared, so that people affected by floods can be promptly evacuated.

3. Each office and organization at the center and in the countryside must have staff on standby around the clock to immediately participate in any rescue or flood-combating operations.

4. The Ministry of National Defense and the Ministry of Communications must arrange airplanes and other forms of transport to assist in transfering affected people from dangerous areas to safer places in order to minimize the amount of damage as much as possible.

5. The Public Health Ministry is responsible for preparing medical personnel and essential medicine to fight against any epidemics which may break out after the floods.

6. The Ministry of Industry must advise the electricity and water supply enterprises to make preparations to solve any problems regarding the shortage of electricity and water supply during the floods.

7. The Ministry of Trade is instructed to advise all state, collective, and private trading enterprises to refrain from engaging in any acts that may directly affect the interests of the people affected by the natural calamity, such as hoarding goods, increasing prices, evading tax, and other acts.

8. The Ministry of Interior must prepare enough manpower to maintain public security and to keep peace and social order.

9. The Ministry of Finance is instructed to keep enough cash on hand to pay for expenses in emergency cases.

10.The preparations for coping with the floods are the collective responsibility of all offices, organizations, administrative units, and business production enterprises, as well as the public in general. Therefore, all offices, organizations, and units concerned must urgently dissemminate news on this flood situation among the public so that efforts can be promptly made to minimize any possible damage caused by this natural calamity at the lowest level possible. At the same time, efforts and necessary conditions must be prepared to allow the the life and activities in society to return to normal as soon as possible after the floods recede.

11. The Prime Minister's Office is authorized to act as the coordinating center for organizing the implemenmtation of this instruction.

Phoun Sipaseut Receives Outgoing Official

BK2108100491 Vientiane KPL in English 0903 GMT 21 Aug 91

[Text] Vientiane, August 21 (KPL)—Mr. Phoun Sipaseut, vice prime minister and forein minister of the Lao People's Democratic Republic, yesterday granted here and audience to Mr. Daniel Bellamy, representative of the United Nations High Commissioner for Refugees [UNHCR], who has ended his three-year mission in Laos.

On this occasion, the Lao foreign minister appreciated Mr. Daniel Bellamy's cooperation with the Lao Government to help the refugee's repatriation and in some other development domains.

Leaders Receive Greetings From DPRK

BK2208094091 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 21 Aug 91

[Text] Kim Il-song, president of the DPRK, and Yon Hyong-muk, prime minister of the DPRK, have sent separate messages of greetings respectively to His Excellency Kaysone Phomvihan on his election as president of the Lao People's Democratic Republic [LPDR] and to His Excellency Khamtai Siphandon on his appointment as the new prime minister of the LPDR.

In their messages, President Kim Il-song and Prime Minister Yon Hyong-muk extended wholehearted congratulations to President Kaysone Phomvihan and Prime Minister Khamtai Siphandon, and expressed the conviction that the long-standing relations of friendship and cooperation between Korea and Laos will be further developed and strengthened in all respects.

Leaders Greet Hungarian Counterparts

BK2208093391 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 21 Aug 91

[Text] On 20 August, Lao leaders sent separate messages of greetings to the Hungarian counterparts on the occasion of Hungary's national day.

The messages include a message from His Excellency Kaysone Phomvihan, president of the Lao People's Democratic Republic [LPDR], to His Excellency Arpad Goncz, president of the Republic of Hungary; a message from His Excellency Nouhak Phoumsavan, chairman of the Supreme People's Assembly [SPA], to His Excellency Szabad, chairman of the National Assembly of the Republic of Hungary; a message from His Excellency General Khamtai Siphandon, prime minister of the LPDR, to His Excellency Jozsef Antall, prime minister of the Republic of Hungary; and a message from His Excellency Phoun Sipaseut, minister of foreign affairs, to His Excellency Geza Jeszenszky, minister of foreign affairs of the Republic of Hungary, in Budapest.

In their messages, our Lao Government leaders conveyed greetings and best wishes to the government leaders and all people of Hungary. They all expressed the conviction that with the efforts of the governments of the two countries, Lao-Hungarian relations will be further developed for the benefits of the two peoples of Laos and Hungary and in the interest of peace and social progress of various nations in the world.

Laos, Hungary Sign Trade, Payment Agreement

BK2208075291 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 22 Aug 91

[Text] The agreement on the exchange of goods and trade payment between the Lao People's Democratic Republic and the Republic of Hungary was signed during a ceremony at the Ministry of Trade and Tourism on the morning of 21 August.

The agreement stipulates that the exchange of goods and trade payment for 1991 must be carried out according to the provision of the agreement signed earlier by both sides on the delivery and exchange of goods and balance of payment as well as the exchange of representatives. The agreement covers trade activities of the states, collectives, and private sectors of the two countries.

Signing the agreement on behalf of the Lao and Hungarian governments were Khamphan Simmalavong, deputy minister of the ministry, and Alfred Almasi, ambassador extraordinary and plenipotentiary of the Republic of Hungary to the LPDR. A number of cadres concerned witnessed the signing.

Philippines

Aquino Welcomes Collapse of Moscow Coup

HK2208082691 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0754 GMT 22 Aug 91

[By Henry Umaga Diaz of Patrol 14—italicized portions in English]

[Text] Here is President Corazon Aquino's statement on the defeat of the hardline communists in the Soviet Union—the collapse of the coup d'etat in that country. According to the president, she is happy that the forces for peace and reform triumphed through people's power in the Soviet Union. She hailed Boris Yeltsin, president of the Soviet Republic, who, she said, *deserves the world's commendation for steadfastly standing by their Constitution.* This was the president's statement. Also the president said President Mikhail Gorbachev needs encouragement and support from people worldwide because it is only through this that the reforms and progress needed in the Soviet Union will be achieved. According to the president the entire Soviet people triumphed in the collapse of the coup d'etat in Russia. This was the president's statement in relation to the defeat of the hardline communists in the Soviet Union.

Manglapus on Lessons From Failed Soviet Coup

HK2208105891 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 22 Aug 91

[Text] Foreign Secretary Raul Manglapus said that the Filipinos learned two important realities from the failed coup d'etat in Moscow: first, the international importance of the Edsa [Epifanio de los Santos Avenue] people power revolution which was replicated in Moscow; and second, the greater realization by the Philippines and other Southeast Asian nations of the need to prepare for their own defense.

At the same time, Manglapus called on the people to support steps being undertaken for the full ratification of the new military bases treaty.

Bush Preoccupation Blamed for Bases Pact Delay

HK2208012891 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 21 Aug 91

[Text] Foreign Affairs Secretary Raul Manglapus blamed U.S. President George Bush for the delay in the signing and initialing of the new bases treaty that will prolong the retention of the U.S. military bases in the country for 10 years. Manglapus said that the initialing and signing of the new treaty is being delayed because Bush is too busy with the current situation in the Soviet Union. Manglapus believed that the ratification process will slow down because of the sudden crisis in the Soviet Union which has caught the attention of President Bush. The secretary hopes that the initialing of the bases treaty, which will supersede the 1947 Republic of the Philippines-U.S. Military Bases Treaty that will expire on 16 September this year, will take place next week.

Antibases Senators Maintain Ratification Stance

HK2208061091 Manila PHILIPPINES NEWSDAY in English 22 Aug 91 pp 1, 2

[By Jose H. Macaspac III and Arthur I. Bariuad]

[Text] Senators Wigberto Tanada and Juan Ponce Enrile yesterday said the leadership change in the Soviet Union and the prospects of a Cold War resurgence had strengthened their resolve to reject the proposed bases accord between the Philippines and the United States.

They added that the Senate would still refuse to ratify the pact despite intense lobbying by U.S. officials who claim that the bases have regained strategic importance because of recent developments in the Soviet Union.

U.S. Senator Richard Lugar (Republican, Indiana), meanwhile, said the changes in the USSR did not alter the situation with regard to the value "the U.S. places on its relationship with the Philippines at Subic".

In an intersatellite dialog with Filipino journalists via the USIS program Worldnet at the U.S. Embassy, Lugar stated that the negotiated agreement, which is now awaiting initialing and ratification, was "the final position as far as the U.S. is concerned."

"Nothing important will come along, nothing better is going to come. That is it," Lugar stressed.

"We (anti-bases senators) even increased in numbers," Tanada told NEWSDAY, stressing that some of those who were originally for the treaty have had second thoughts about voting to retain the American facilities in Philippine bases for 10 more years.

Tanada disclosed that there were now about 19 senators who had decided to vote against the accord. Only six of them, however, could be considered "hardliners."

Tanada believed that the senators who voted against the pact would immediately see through U.S. attempts to capitalize on the ouster of Gorbachev to frighten the people about the possibility of increased external aggression against the Philippines.

The American position on the USSR crisis and the bases negotiations was disclosed by new U.S. Ambassador to the Philippines Frank Wisner.

Wisner said the "U.S. expects the Philippines to keep its close ties with its allies in these troubled times" in an apparent move to sway the senators into approving the treaty.

But Enrile said the Philippines should have all the more reason to reject the new treaty when uncertainties surround the relationship between the world superpowers.

"Why should we get involved in the quarrel of the giants?" Enrile asked, saying the Philippines might get caught in a crossfire if hostilities between the two nuclear-capable countries should erupt.

He said the Philippines should formulate an "equidistant" foreign policy with both the U.S. and the USSR.

Enrile argued the USSR would consider the U.S. presence in Clark and Subic as a threat in much the same way that the U.S. would consider the Soviet presence in Vietnam's Cam Ranh Bay a threat.

As this developed, Foreign Secretary Raul Manglapus admitted that the much-delayed initialing of the new agreement would be done in the next few days, saying there were "certain items that have to be finalized that require the actual physical act of high officials in Washington who, unfortunately, have been taken over with the developments in the Soviet Union."

However, he said the events in the Soviet Union had not substantially affected the terms of the bases agreement but just a "mechanical aspect of it." He refused to elaborate.

Representative Felicito C. Payumo (LDP [Struggle of the Filipino Democrats], Bataan) whose congressional district covers 70 percent of the Subic complex, said in a privilege [as published] he was in favor of the bases treaty ratification if the U.S. aside from paying the $203 million annual compensation, would undertake a P [Philippine pesos] 15-billion infrastructure for the benefit of the people of Region 3.

Lugar said both Filipino and American officials viewed the "bases as a declining asset and therefore the overall (U.S.-RP [Republic of the Philippines]) relations should not be pegged on the bases."

He indicated that with or without the developments in the Soviet Union the world was still a dangerous place. "The U.S. saw the world as a dangerous place prior to the Soviet problem, we see it as dangrous still, and Subic is a very valuable base, but we have negotiated its value in terms of payments over the next 10 years with the Philippine government and we believe that's precisely where it ought to lie."

According to Lugar, who is considered a "friend of the Filipinos," the naval facility at Subic is very important not only to the U.S. but also to the Philippines and other countries in the Asia-Pacific basin relying on the security umbrella provided by the U.S. defense outposts here.

Lugar admitted though that the U.S. military posture in the Pacific would be affected following the possible withdrawal of U.S. forces in the Philippines in case of a rejection by the Senate of the proposed comprehensive treaty of friendship, cooperation and security.

"The U.S. military posture would not be strong following the evacuation," he said.

The senator from Indiana pointed-out that the importance Washington attached to Subic could be gleaned from the "seriousness" it had shown during the 15 months of intense negotiations. He added that if the proposed treaty would be junked by the Senate, the U.S. would have no other recourse but to withdraw.

The "monumental sums" from the treaty would be reciprocated by a "monumental withdrawal" in the event of a rejection, Lugar said. "This overall total agreement is worth monumental sums to the Philippines and the withdrawal on the 16th of September (if the treaty is rejected) would be a monumental withdrawal."

Echoing earlier declarations from U.S. officials for a renegotiation, Lugar said the "U.S. is not prepared to negotiate another agreement."

Envoy to U.S. Reiterates Need To Ratify Pact

HK2208084491 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 22 Aug 91

[Italicized portions in English]

[Text] Philippine Ambassador to Washington Emmanuel Pelaez justified that the Philippines needs the U.S. military bases even more now even as the coup d'etat in Russia has ended.

In an interview with Louie Beltran, Ambassador Pelaez said that if the new bases agreement is not ratified by the Senate, it would be clear that the Philippines will throw away this opportunity to express solidarity with other nations in pursuit of democracy.

Here is an excerpt of Ambassador Pelaez's explanation:

[Begin Pelaez recording] *We must believe with the emerging world order that is united in democracy.* Which is why, my fear is that if we will reject, *we are distancing ourselves from this group of countries now, led by the United States, that stands firm for freedom. And so I think there is all the more necessity* for us to ratify. [end recording.]

Mindanao Congressmen Urge Treaty Ratification

HK2208061791 Manila MANILA BULLETIN in English 22 Aug 91 pp 1, 18

[By Rod L. Villa]

[Text] The Senate was asked by the Mindanao Congressmen's League yesterday to consider carefully the heavy toll on the economy of a rejection of the new military bases agreement (MBA).

President Aquino received a resolution the lawmakers from 22 Mindanao provinces signed supporting the position she and Speaker Ramon V. Mitra Jr. have taken for the immediate ratification by the Senate of the treaty.

Led by Assistant Majority Floor Leader James Chiongbian (LDP [Struggle of the Filipino Democrats], South Cotabato), the 41 Mindanao representatives to the House asked the Senate to weigh carefully dislocations that a rejection will bring to the economy.

The league also took note of the serious consequences of rejection, namely, unemployment of some 35 percent of the population, the highest in manpower history; the possible loss of trade concessions; a slowdown in the recovery of the devastated economy; and the crippling of the modernization program of the Armed Forces (AFP [Armed Forces of the Philippines]).

The 41 congressmen signed the resolution which acknowledged that whatever agreement may finally be initiated cannot be the best that can be secured under the circumstances, and that changes can and should be made.

But the Mindanao league members said: "Time is not on our side in this issue, which must be put behind as soon as possible, so that the nation can pay attention to the larger issues that now confront it."

They endorsed a move, originally proposed by then Rep. Ali Dimaporo of Lanao del Sur, that Mindanao welcomes the transfer of the bases in the Philippines' second biggest island in the South.

The legislators asked the Senate to "heed the voices that already have been heard on the issue, especially those of Philippine business and industry, the local government leagues, and of the ordinary people who have made clear their desire that some American military presence continue in the Philippines."

They also invited all concerned citizens to speak out on the issue, the incorrect resolution of which may lead the people to more distress.

Real Time

Olongapo Mayor Richard J. Gordon said yesterday that the country could use the remaining 10-year duration of the proposed base treaty to transform Central Luzon into a self-reliant region and turn the national economy into a truly developed one.

Speaking before the Senate committee on foreign relations, Gordon said the Filipino people should use the next 10 years into "a real time of building" and could then proclaim the full and final end to U.S. military presence.

"For the full duration of the agreement, we will have the incalculable opportunity to plan and implement the necessary program for the phasing out of the last U.S. base facility while enjoying security and economic assistance," the mayor said.

Gordon, who as early as 1980 has endorsed a plan to convert Subic into a commercial port, took Congress and the Executive to task for failing to put in place palpable alternatives that can absorb the dislocation of Filipino base employees should Subic be abandoned now.

The Olongapo city executive said: "Many of those who are for the rejection of the agreement talk of pride. But people cannot eat words. The national government never bothered to begin the process of enabling our communities in Central Luzon to have industry and commerce and stand on their own."

Gordon also appealed for sobriety in deciding the fate of the proposed treaty saying the economic and security benefits the country is deriving from the American military presence should be the prime considerations.

"We are looking for foreign investments all over the world and yet here we are asking an entity that's already paying $203 million a year and generating economic and business worth about P [Philippine pesos] 5 billion a year to leave the country," he said.

Senator Pimental Wants U.S. Bases Thrown Out

HK2208083791 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 22 Aug 91

[Text] The U.S. military bases in the Philippines should be thrown out after Soviet President Mikhail Gorbachev was restored to power. According to Senator Aquilino Nene Pimentel. Here is Restie de Quiros with the details:

[Begin recording] [De Quiros] Senator Aquilino Pimentel today stated that the Philippines should not allow the continuous stay of the American military bases after 16 September 1991 following the restoration to power of USSR President Mikhail Gorbachev. According to Pimentel, due to Gorbachev's resumption of power, the threat of a resumption of the cold war between the two super powers is no longer there, and the American military bases in the country are no longer needed for the protection of the Philippines. Here is part of Senator Pimentel statement.

[Pimentel] My position is that the events in the Soviet Union—Gorbachev's reclaiming power—is another reason why the military bases should not be allowed to stay because the tension between the United States and the USSR is lost and it seems that the cold war, we can really say that it is a thing of the past. [end recording]

Lack of Time To Consider Bases Pact Criticized

HK2208085991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 22 Aug 91

[By Restie de Quiros]

[Text] Several senators assailed Malacanang today because there are only 24 days left before the 1947 Military Bases Agreement between the Philippines and the United States expires, yet Malacanang has not submitted the final draft of the bases treaty to the Senate. The senators said they no longer have sufficient time to thoroughly study the provisions contained in the treaty, adding they should see a copy of the treaty even if it is not yet initialled by both sides.

Senator Rene Saguisag and Senator Joey Lina are among those saying that the remaining 24-day period is not enough time for the Senate to study the treaty because they still have to conduct public hearings before they hold a debate in the Senate. According to Saguisag, he does not know whether the remaining days are enough because the death penalty proposal and synchronized elections have been points of discussion for a long time, and yet they have not been approved up to now by the Senate.

For his part, Senator Lina said he does not want a fight among the senators on the decision regarding the treaty and that he is urging Malacanang to submit the treaty to the Senate.

Meanwhile, Senator Ernesto Maceda and John Osmena said that the compensation package of $203 milllion is not contained in the treaty, which means that this could be increased or reduced later by the United States. However, Maceda said that if America could not raise the compensation package, it should raise its contribution to the food aid or to the military equipments.

Antibases Rally Held in Front of U.S. Embassy

HK2208132291 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 22 Aug 91

[Text] An antibases group held a rally by burning the flag of the United States to manifest their protest against the retention of the U.S. military bases in the Philippines. The group conducted its rally in front of the U.S. embassy building on Roxas Boulevard, Manila.

At the same time, the group assailed Finance Secretary Jesus Estanislao, Foreign Affairs Secretary Raul Manglapus, and also President Corazon Aquino. They called the aforementioned officials traitors to the national interest of the Philippines due to their continued position on retaining U.S. military bases in the country.

The group included forty members of the Student Christian Movement of the Philippines. Most of the rallyists were wearing masks and stressed that debate on the bases within the Senate is just a show and that the opposition to the ratification is just a pretense.

Senate To Probe 'Lobbying' by U.S. Official

HK2208093991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 22 Aug 91

[By Restie De Quiros of DZRH Unit No.8]

[Text] The Senate Committee on Foreign Relations led by Senator Leticia Ramos Shahani will investigate a U.S. official who allegedly offered to support Senator Joseph Estrada's candidacy in exchange for his support for the ratification of the U.S. bases treaty.

This developed after Senator Ernesto Maceda asked the Senate to find out who the U.S. official being referred to by Estrada is. Earlier, Estrada disclosed that a member of the U.S. negotiating panel talked to him.

According to Maceda, the public has to know who this U.S. official bribing Estrada is. Estrada nonetheless, has declared that no matter what the Americans do, he will not reverse his position to totally eject U.S. bases from the country.

It can also be recalled that Estrada revealed that there are three 1992 presidential aspirants being supported by the Americans, and he vowed to expose this in his privileged speech at the Senate. Estrada also added that the lobbying done by the U.S. official is a challenge to him that if he doesn't agree to the ratification of the treaty, the Americans will not support his candidacy. Estrada declared that for the first time, there will be a presidential candidate who cannot be controlled by the Americans.

De Villa Asks for Alternative Sources of Funds

HK2208092091 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 22 Aug 91

[By Fernan Imberga, DZRH Unit 22]

[Text] The Armed Forces of the Philippines [AFP] have launched a multi-sourcing financing plan as alternative provisions for the modernization program of the AFP just in case the new treaty for the retention of the United States military bases in the Philippines will not be ratified by the Senate. This was announced by Defense Secretary Renato de Villa during a brief news conference after the courtesy call of the new ambassador to the Philippines, Frank Wisner. De Villa said they will not only depend on the aid to be received from the U.S. bases compensation for their modernization program but they will also ask Congress for the supplementary budget to finance the purchase of military hardware if the Senate rejects the ratification of the new U.S. bases treaty. De Villa added that this past year the AFP asked Congress for the additional P [Philippine peso] 1.8 billion for the downpayment for eight warships for the Philippine Navy, but Congress cut it by P800 million. De Villa stressed that any deductions from aid received from the U.S. military assistance will have a negative effect on the overall modernization of the AFP.

President Aquino Reiterates 'One China' Policy

HK2208053891 Hong Kong AFP in English 0517 GMT 22 Aug 91

[Text] Manila, Aug 22 (AFP)—President Corazon Aquino reiterated the Philippines' "one-China" policy but explained the need to forge economic contacts with Taiwan in a meeting with Chinese legislators here Thursday, officials from both sides said.

The head of the four-member delegation from China's People's National Congress, foreign committee vice-chairman Fu Hao told reporters that Aquino said she hoped to see relations between Beijing and Manila develop further.

Philippine congressman Jose De Venecia, who accompanied the delegation, said Aquino noted that when Chinese President [as received] Li Peng visited the country in December, he expressed no opposition to economic contacts with Taiwan "as long as this is done at the people-to-people level, the unofficial level."

Philippine Senate foreign committee chairwoman Leticia Shahani, who also accompanied the delegation, said Aquino had assured them she would not violate the policy, recognizing Beijing as the sole government of China.

"On the other hand, she also said that she hoped that the People's Republic of China would understand the economic difficulties of the Philippines," Shahani told reporters.

The delegation did not discuss recent visits of top Philippine officials to Taiwan or the forging of a fisheries agreement between Taipei and Manila.

Taiwan is trying to woo Manila to give de facto recognition to Taipei by offering increased Taiwanese aid, investments and job placements for Filipinos in Taiwan.

Aquino on Monday endorsed a bill sponsored by Shahani seeking to protect foreign investment from countries not officially recognized by Manila, such as Taiwan.

Japan Grants Aid for Agricultural Projects

HK2208124991 Manila BUSINESS WORLD in English 22 Aug 91 p 2

[By Jose G. Ebro]

[Text] Japanese Ambassador Toshio Goto and Foreign Affairs Secretary Raul Manglapus yesterday signed a package of grant assistance composed of five projects totalling Y6.8 [Japanese yen] billion (approximately P1.4 [Philippine peso] billion).

Three out of the five projects are for agricultural development: two of them are the Capayas Terminal Irrigation Project (Phase 2) in Bohol worth Y234 million or about P47 million, and the Agricultural Development and Promotion Project in Western Samar (Phase 2) worth Y812 million or approximately P162 million. Both projects aim to promote agricultural production in the rural areas.

The third project, Aid for Increased Food Production worth Y2,400 million or approximately P480 million, is to finance the purchase of basic agro-inputs such as agro-chemicals and fertilizers. Its peso proceeds will also be used to accelerate integrated area development.

The fourth project, Rural Environment Sanitation Project (Phase 2) worth Y649 million or approximately P130 million, will entail the construction of water supply facilities and sanitary equipment for elementary and high schools in Northern Luzon (Region I) and Visayas (Region VI).

The fifth project, Construction of Primary and Secondary Schoolbuildings (Y2,745 million, approximately P549 million) will provide typhoon-proof school buildings in typhoon-prone areas in Regions II and IV.

Mr. Goto noted that these five projects reflect the diversity of Japan's assistance as well as its focus: namely, poverty alleviation and rural development.

He also mentioned that the Japanese Government had already started talks with the Philippine Government on assistance for Mt. Pinatubo rehabilitation and reconstruction, in addition to the $1.5-million emergency assistance so far committed.

Official Sees Possible Lower Foreign Investment

HK2208132691 Manila PHILIPPINES NEWSDAY in English 22 aug 91 p 8

[By Bienvenido M. Perez]

[Text] Although the country's trade with the Soviet Union is minimal, the Philippine economy may be affected as political events in Moscow could create a climate of uncertainty and more conservative attitude toward investments.

This was bared yesterday by acting Trade and Industry Secrtary Peter D. Garrucho Jr., who said "any bullishness about international investments might be tamed" following the crisis in the Soviet Union.

However, he said that the volatile situation in Russia may actually provide opportunities for countries in the Asia-Pacific Rim, including the Philippines. This time, Garrucho said potential investors in the Soviet Union and Eastern Europe are expected to reevaluate their plant location decisions.

In recent years; he noted that it has been quite "fashionable in many corporate boardrooms" across the United States and Western Europe to relocate along the communist heartlands that are opening up "in anticipation of rising markets."

The experience of the Soviet Union, Garrucho said, "reaffirms the importance of strengthening the newly-emerging democracies with rapid economic gains."

Bolstering these countries' fragile economies, he said, will happen only "with major trade concessions and significant investments that will minimize the sting of economic reform and address the high expectation of political liberalization.

Maceda Says 30-40 Percent To Join His Party

HK2208031291 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 21 Aug 91

[Text] Senator Ernesto Maceda revealed that 30 to 40 percent of the members of the Liberal Party will transfer to the Party of the Filipino Masses. The revelation was made by Senator Maceda after he resigend from the Liberal Party headed by Senate President Jovito Salonga. The Party of the Filipino Masses is headed by Senator Joseph Estrada who is also the standard bearer of the party in the coming 1992 presidential election. The Party of the Filipino Masses, according to Maceda, is set to release a complete senatorial slate in the coming election because of the growing number of its members.

Rebel Plan To Liquidate Drug Dealers Revealed

HK1908022691 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 18 Aug 91

[Text] The Philippine National Police [PNP] revealed a Communist Party of the Philippines-New People's Army [CPP-NPA] plan to liquidate suspected shabu [metamphetamine] dealers in order to eliminate competitors to its illegal drug operations. This was revealed by Herardo Flores, PNP Staff and Intelligence Director, after confiscating documents from high ranking officials of the CPP-NPA. The documents show a directive from Romulo

Kintanar, NPA General Command Chief, to kill all known shabu pushers or dealers. The said directive, according to General Flores, was released by the NPA General Command because of many reports from the CPP finance department saying the movement is losing revenue from its marijuana production because of the entry of shabu into the illegal drugs market. The communist rebels' plan was also confirmed by Job Mayo Jr., PNP Narcotics Command Director.

Two Rebel Leaders Nabbed in Vigan, Ilocos Sur

HK2208131091 Manila MANILA BULLETIN in English 22 Aug 91 pp 1, 18

[Text] Two officials of the Communist Party of the Philippines-New People's Army (CPP-NPA) operating in the provinces of Quirino and Nueva Vizcaya were captured yesterday by joint Army and police elements in Vigan, Ilocos Sur.

Senior Supt. [Superintendent] Renato D. Aguda, Ilocos Sur Philippine National Police (PNP) command chief, identified the rebels as Virgilio Singson, alias Ka [Comrade] Elmo and Ka Iver, commanding officer and secretary of the Quirino-Nueva Vizcaya Front, and his wife, Emilia Callegos-Singson, alias Ka Gigi and Ka Eloi, second deputy chief of Larangan Front.

Aguda said the couple had just alighted from a bus at the Times Transit Bus Terminal in Vigan and were on their way for a vacation at a relative's house in Barangay Bayubay, San Vicente, when nabbed by PNP group under Chief Inspector Cecilio Mariano and the Army's 701st Infantry Brigade intelligence men.

Aguda recently launched an operation to identify and monitor the movements and transactions of the couple. The arrest of the rebel leaders was based on the intelligence reports.

Thailand

Prime Minister Remarks on USSR Situation

BK2208143991 Bangkok Army Television Channel 5 in Thai 1230 GMT 22 Aug 91

[Text] Prime Minister Anan Panyarachun has expressed satisfaction with the report that the situation in the Soviet Union has begun to return to normal.

[Begin recording] [Anan, in progress] The report that the situation in the Soviet Union has ended peacefully without further violence is a welcome news. For one thing, it demonstrates the power of the people and the fact that part of the military did not condone the coup. It shows the desire for freedom and for a determined policy to change toward an open system and a system that affords economic flexibility and greater political freedom. It shows that the people still want this system.

[Unidentified correspondent] Do you plan to send a congratulatory message?

[Anan] I don't think so at this time; I will wait for a recommendation from the Foreign Ministry.

[Correspondent] Will there be changes in the Soviet leadership?

[Anan] As far as I know now, Gorbachev has regained the presidential post, and it is certain that Russian Republic President Yeltsin will gain in importance.

[Correspondent] Do we have to reestablish official contact with the Soviet Union?

[Anan] That will not be the case because there are no changes in the Soviet leadership. The power takeover, which occurred for two days, has ended. [end recording]

Meanwhile, the foreign minister also expressed pleasure about the situation in the Soviet Union and said Thailand will send a congratulatory message to the Soviet Union.

[Begin recording] [Unidentified correspondent in progress] ...now that this event has occurred in the Soviet Union.

[Asa] I think other countries should be encouraged to give aid to the Soviet Union.

[Correspondent] What will Thailand do?

[Asa] It will not be necessary for Thailand to give aid, but I think we should express congratulations to Soviet leaders. I will propose this to the prime minister first.

[Correspondent] Do you think there will be a change in the Soviet policy in light of what happened?

[Asa] Personally, I think Western countries will pour aid into the Soviet Union to the benefit of the Soviet people at large. It has become clear that the policy which the Soviet Government has implemented has been accepted by the Soviet people. It has also been demonstrated that no change is possible without support of the people. [end recording]

Foreign Minister Welcomes Soviet Coup Failure

BK2208071691 Bangkok Radio Thailand Network in Thai 0530 GMT 22 Aug 91

[Text] This morning at the National Defense College, Foreign Minister Asa Sarasin granted an interview to reporters after giving a special lecture on Thailand's foreign policy and security to students at the college.

Asa said the situation in the Soviet Union has progressed positively and the problem has been resolved. Several countries have offered their assistance once the situation returns to normal. Such offers should be supported because they will be beneficial to all the Soviet people.

Asked if there will be any change in Soviet political policy following the coup, the foreign minister said all the occurrances are the internal affairs of the Soviet

Union. What has happened reflects the popular will. Without public support, no action will bear fruit.

The foreign minister went on to say that since the situation has returned to normal, Thailand wants to express its congratulations to the Soviet Union. A congratulatory message will be sent to that country soon. However, Asa said he will consult with the prime minister on the matter first.

Buddhist Group on Burmese Government's Awards

BK2208020591 Bangkok BANGKOK POST in English 22 Aug 91 p 3

[Text] A Buddhist group is likely to protest against moves by Rangoon's military junta to grant Burma's two highest ecclesiastical titles to His Holiness the Supreme Patriarch and other members of Thailand's Ecclesiastical Council next week.

The group claims Burma's State Law and Order Restoration Council (SLORC) is insulting the Thai Sangha Raja with its plan to grant the title of Abbidharm Maha Rattha Gura, which is the highest ecclesiastical rank of Burma's Sangha, to Supreme Patriarch Somdet Phra Yana Sanwara.

SLORC is said to be coordinating a ceremony with its ambassador to Bangkok, Nyunt Swe, and the Religious Affairs Department to present the title to the Supreme Patriarch on August 30 at 2 p.m.

During the ceremony, the second highest ecclesiastical title of Burma, the Agga Maha Pandita title, will also be granted to eight members of the Thai Ecclesiastical Council.

They are Somdet Phra Bhudda Gosachan, Somdet Phra Wannarat, Somdet Phra Thirayan Muni, Somdet Phra Papotbodi, Somdej Phra Chinnawong, Somdet Phra Muniwong, Somdet Phra Bhuddachan, and Phra Ratcha Methathibodi.

The Buddhist group claims that several months ago, the Sangha Raja of Thailand had already declined the titles, but now it appeared a number of SLORC members are already in Bangkok for the ceremony.

The group expressed deep regret over, and strong opposition to, what it interprets as SLORC's attempt to exploit the Sangha Raja of Thailand for Rangoon's own political aims.

Earlier this year, the Foreign Ministry had officially warned the Religious Affairs Department the planed presentation of the titles might be politically-motivated and could tarnish the image of Thailand if accepted.

The ministry also advised that Thai monks should refrain from travelling to Burma.

Later in July, the ministry told the department that Burma had reaffirmed its wish to give the honour to the senior Thai monks and advised that the honour be accepted to avoid hurting Thai-Burmese relations. The Buddhist group said the Sangha Raja is a noble, most proper and learned teacher and monk.

Instead of honouring him, the Burmese title would come as a dishonour as it is apparent that SLORC wants to exploit his name and his noble work for its own benefit, the group claims.

The presentation of the titles is aimed more at hiding Rangoon's guilt for committing atrocities against Buddhist monks inside Burma, the group added, because the SLORC has expelled, disrobed, arrested tortured and killed many outstanding, accomplished and revered monks throughout Burma.

The group said the SLORC has persecuted monks who, by refusing alms from military families, opposed the junta's rule. The SLORC desperately needs positive publicity. It wants the world to believe that highly-respected international monks still recognise the junta and receive its honours.

Air Force Bans Journalists Due to Article

BK2208021391 Bangkok THE NATION in English 22 Aug 91 p A1

[Text] The Air Force yesterday banned reporters of NAEO NA daily from its headquarters and Thai Airways International [THAI] suspended its subscription to the paper in apparent retaliation against an article alleging widespread corruption in the Airport Authority of Thailand [AAT].

Air Force Secretary Air Marshal Phanlop Tawonan confirmed the ban was in response to the daily's "distorted" reporting, but did not directly mention Monday's article by Prasong Sunsiri, secretary- general of the New Aspiration Party and former chief of the National Security Council.

Prasong, in his article, urged Air Force Commander in Chief ACM [Air Chief Marshal] Kaset Rotchananin to pay attention to what were alleged to be rampant irregularities in business handling by the AAT.

The article followed Kaset's much-publicized statement that he would be willing to quit the military service to assume the premiership if offered the post.

Prasong's article said anybody who wanted to be prime minister must "wash his face and brush his teeth before leaving home".

It described the AAT as a "gold mine".

Phanlop said ACM Kaset had asked NAEO NA "several times" not to attempt to "drive a wedge" among military leaders.

"ACM Kaset had asked the newspaper's management several times to stop this kind of reporting but the paper has not been cooperative," Phanlop said

Areas under jurisdiction of Thai Airways International (THAI) would also become off-limits to NAEO NA reporters, the air force secretary added.

Similar measures against NAEO NA are also being considered by the army, an informed source said.

Early this year, NAEO NA reporters were banned from entering the Supreme Command headquarters following some controversial reports. The ban was later lifted.

Prasong, former secretary-general of ex-premier Prem Tinsulanon, yesterday branded the air force's measures "political persecution".

He challenged the air force to "come directly to me" because "it was I who wrote the article."

He noted that THAI, which was recently listed with the Stock Exchange of Thailand, is a state enterprise which will soon become a public company.

"Its action (against Naeo Na) indicates the agency likes dictatorship," he said.

NAEO NA yesterday published a THAI letter notifying the paper of the suspension of its subscription. The letter cited unidentified technical problems in suspending the subscription of some 200 copies a day. NAEO NA chief editor Nopphon Tungkarat, in a telephone interview with THE NATION, said he could not respond to the air force's move because no specific reasons were given for the action.

"We don't know which stories were distorted so we don't know how to explain," Nopphon said.

The paper has published many controversial reports, including one that helped lead to the scrapping of the feared revolutionary decree 42 that granted printing authorities absolute power to close down publications.

NAEO NA was closed under decree 42 after reporting that Thai police were planning to arrest a "Saudi envoy" in connection with last year's murders of three Saudi diplomats.

The closure united journalists in their campaign against decree 42.

Official Reports on Financial Situation

BK2208151091 Bangkok Radio Thailand Network in Thai 1200 GMT 22 Aug 91

[Text] Prasit Li-atham, the director of the Office of the Bank of Thailand's Governor, has said that the balance of payments situation has improved steadily. In particular, exports, which at first were expected to slow down, increased by 19.5 percent during the August 1990-July 1991 period. Imports slowed down to 27 percent from 29 percent during the previous year. This resultant trade deficit, after taking into consideration the balance of services, amounted to 227-billion-baht current accounts deficit.

There was a clear slowdown in credit growth from the previous 33 to 36 percent during the previous year to the current 24 percent. The anticipated 20 percent reduction in savings occurred, but the credits to savings ratio was as high as 105 percent.

Prasit said since the situation in the Soviet Union has practically returned to normal, no impact is expected on the Thai trade and financial systems.

Vietnam

VNA Reports Interview With Senator John Kerry

BK2108152791 Hanoi VNA in English 1439 GMT 19 Aug 91

[Text] Hanoi VNA August 21—On August 18 Senator John Kerry, chairman of the U.S. Senate Select Committee on MIA/POW issue, granted an interview to the weekly DAI DOAN KET (Great Solidarity).

Following are the questions and answers :

1. Mr. Senator, what do you think about Vietnam's position on MIA question as an humanitarian issue ? —I think I am very glad Vietnam is treating the MIA issue as an humanitarian issue. This is very positive. The cooperation has been getting better and better and become excellent in these recent months. I think your government has taken important steps and creative steps to try to improve the relationship and guarantee that we'll resolve this issue. The Americans are learning more and more of the cooperation. This will help to improve the relationship a great deal.

2. While still having about 300,008 MIA cases, Vietnam does not link the MIA question to any political or trade question. But some people in the U.S. still think there may be some POW's living in Vietnam. I wonder if you have any comment on that.

—The American people are very understanding of the losses that have occurred on both sides. But Americans obviously are not able to effect he finding of Vietnamese remains. Vietnam can effect that because it's in Vietnam. But the American people hope the process of trying to find the remains for which we are directly responsible and to which we are linked, because they are families of our fighting men, also allows Vietnam to find the remains of these sons and daughters and families, and that everybody can resolve this issue. And perhaps some of our expertise and technology can also be very helpful in that.

3. Could you please tell us about the perspectives of U.S.-Vietnam normalization of relations and the lifting of U.S. embargo against Vietnam.

—I have said publicly in the U.S. Senate and elsewhere that I believe the U.S. should move to lift the embargo, at least partially, and I would say totally. I would push for what you can get right now.

But I believe the embargo is a bad policy and it's wrong. I believe Senator Murkowski of Alaska and I have introduced the bill which passed the Foreign Relations Committee on January 17 last which lifts the embargo. If we would lift the embargo it would help us and Vietnam to resolve the POW/MIA issue and move to have a better relationship on other issues. But the policy of our administration is different. And so I still believe the POW/MIA issue can help move to lift the embargo also. So I think Vietnam's cooperation would be helpful even though I would like to see our moves faster.

4. Do you have any message to readers of our newspaper, Senator ?

—The people of Vietnam in my visits have shown me great hospitality and great willingness to try to build better friendship with the U.S. and I am always struck by the remarkable beauty of this country. It's a very beauiful place, and even though I was here during the war I have very good feelings about the ability of Vietnam and the U.S. to have a good relationship and to be friends, and hope the people of Vietnam will be able to develop their ability to participate in the society and in the world as our relationship develops.

MIA Delegation Departs Hanoi for Home

BK2108150291 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 21 Aug 91

[Text] A Vietnam-U.S. meeting took place on 20-21 August in Hanoi to discuss the settlement of the issue of the American MIAs from the Vietnam war.

Both sides highly assessed the results of the 14th joint MIA search effort and bilateral cooperation in verifying the truth about the photo of three American MIAs from the Vietnam War.

Both sides evaluated and exchanged measures that should be continued concerning the 62 cases remaining of the 119 that the U.S. side proposed to deal with promptly on a priority basis.

The meeting took place in an atmosphere of frankness and mutual understanding.

The U.S. delegation left Hanoi for home on 21 August.

Spokesman on Failure of USSR Coup

BK2208090091 Hong Kong AFP in English 0842 GMT 22 Aug 91

[Text] Hanoi, Aug 22 (AFP)—Vietnam reacted Thursday to Mikhail Gorbachev's return to power the same way it reacted to his ouster—by saying it wants to keep building ties with the Soviet Union.

"The Soviet people have gone through a very difficult period. It is only they who can and have the right to solve their problems," a Foreign Ministry spokesman said.

"Consequently, Vietnam sincerely wishes the Soviet people can soon overcome all trials, stabilize the political, social and economic situation, and develop the country."

"We always attach importance to and desire to develop the traditional relations of friendship and all-around cooperation with the Soviet Union."

Vietnam's communist leadership has made no secret of its distaste for the democratic reforms that have swept the Soviet Union—long Vietnam's most important ally—since Gorbachev rose to power. But Hanoi carefully refrained from applauding Monday's abortive coup by Soviet Communist Party hardliners, with an authoritative source stressing that Vietnam hoped above all that the Soviet Union would not be riven by civil war.

Vietnam's official media nonetheless carried only the official Soviet news agency TASS's version of events, including statements by the coup leaders that Gorbachev had stepped down as president for "health reasons."

Russian President Boris Yeltsin, a vociferous opponent of the coup attempt, was not mentioned until Thursday, when the official NHAN DAN daily also briefly cited international news agencies as reporting that the state of emergency in the Soviet Union had been lifted.

Moscow has been Hanoi's most important ally for decades, though an economic crisis at home has forced the Soviet Union to sharply cut aid to Vietnam in the past year.

Soviet Companies Promote Cooperation

BK2108090591 Hanoi VNA in English 0550 GMT 21 Aug 91

[Text] Hanoi VNA August 21—An electric power company under the Ministry of Energy has won a contract with the Interenergo Company of the Ukrainian Soviet Socialist Republic of buy design and complete equipment for the Thac Mo hydroelectric power project.

The Thac Mo power plant scheduled to be built by the end of this year, is located in the southern Province of Song Be. It includes two generator units with a combined capacity of 150 mw, and an estimated output of 600 million kwh annually.

Under the contract, Interenergo will supply technical equipment till 1994, when both turbines become operational.

On August 18, an irrigation engineering factory under the Ministry of Water Resources and the Trext Enterprise under the Soviet Ministry of Energy signed an agreement on cooperation in the production of equipment and materials for irrigation works and the Thac Mo project.

The joint venture will have a total asset valued at 400,000 USD contributed by both sides. It is expected to be put into full operation in September 1993.

Phan Van Khai on Cooperation With ASEAN

BK2208075891 Hanoi VNA in English 0610 GMT 22 Aug 91

[Text] Hanoi VNA Aug 22—First Vice Chairman of the Council of Ministers of Vietnam Phan Van Khai Wednesday said: Vietnam highly valued the achievements and diversified experiences of the ASEAN countries.

He was speaking at a symposium entitled "Interaction for Progress: Vietnam's New Course and Experiences" opened in Hanoi yesterday under the joint auspices of the Vietnam Institute of Social Science, the Central Institute of Economic Management, and the Information and Resource Center of Singapore.

Phan Van Khai further said in his opening speech that based on its approval and readiness to take part in the Bali Treaty, Vietnam is desirous of cooperating with all ASEAN members in all domains and in whatever forms suitable to each country's conditions for the sake of the people's happiness and prosperity for all countries in the region.

Prominent among those present at the opening ceremony also included Dang Xuan Ky, director of the Vietnam Institute of Social Science, Anwar Ibrahim, minister of finance of Malaysia, Ramon Mitra, speaker of the House of Representatives of the Congress of the Philippines, and M. Rajaretnam, director of the Information and Resources Center of Singapore.

Vo Van Kiet Receives Malaysian Finance Minister

BK2208015291 Hanoi VNA in English 1508 GMT 21 Aug 91

[Text] Hanoi VNA August 21—Chairman of the Council of Ministers Vo Van Kiet received here yesterday Anwar Ibrahim, minister of finance of Malaysia, who is here for the international symposium entitled "Interaction for Progress: Vietnam's New Course and ASEAN Experiences."

Also present was Malaysian Ambassador to Vietnam N. Parameswaran.

On behalf of the Vietnamese Government and people, Chairman Vo Van Kiet thanked the Malaysian Government and people, especially the financial sector, for their assistance and expressed his belief that the cooperation between the two financial sectors would take a new step of development, especially in the exchange of the organizational and managerial experiences in financial activities.

For his part, Minister Anwar Ibrahim briefed his host about a number of projects on financial and economic cooperation between Malaysia and Vietnam.

He also expressed his hope that the cooperation between the two financial sectors and the two countries at large would further develop and become a model of the South-South cooperation.

Le Quang Dao Receives Philippines Speaker

BK2108160791 Hanoi VNA in English 1502 GMT 19 Aug 91

[Text] Hanoi VNA August 21—Le Quang Dao, chairman of the National Assembly, today received Ramon T. Mitra, speaker of the House of Representatives of the Philippines, who arrived yesterday for an international symposium opened here under the theme "Interaction for Progress: Vietnam's New Course and Asean Experiences." Chairman Le Quang Dao warmly welcomed the wishes of speaker Ramon T. Mitra and his party to promote the cooperation and friendship between the two countries, for peace, stability and cooperation in Southeast Asia.

For his part, Mr.Ramon Mitra affirmed that Vietnam and the Philippines are the two neighbouring countries having geographical and historial similarities, and possibilities to develop the friendship and cooperation between the two peoples and their parliaments.

Leaders Greet Vo Van Kiet, Nguyen Manh Cam

BK2208115191 Hanoi Voice of Vietnam Network in Vietnamese at 1430 GMT on 17 Aug

[Editorial Report] Report on messages of greetings to Vo Van Kiet on his election as chairman of the Council of Ministers. The report reads:

"Tamrat Leyne, prime minister of the transitional government of Ethiopia, has sent a message of greetings to Comrade Vo Van Kiet on his election as chairman of the Council of Ministers." The Ethiopian foreign minister also sent a message of greetings to Comrade Nguyen Manh Cam on the occasion of his appointment as minister of foreign affairs.

"Dr. Hamed Karoui, prime minister of the Republic of Tunisia, has sent a message of greetings to Vo Van Kiet on the occasion of his election as chairman of the Socialist Republic of Vietnam [SRV]. Hahib Ben Yahya, minister of foreign affairs of Tunisia, also sent a message of greetings to Comrade Nguyen Manh Cam on his appointment as minister of foreign affairs."

In the same cast, Hanoi Voice of Vietnam Network in Vietnamese carries a 2-minute report on the message of greetings to Comrade Vo Van Kiet from Yasir 'Arafat, President of the State of Palestine and chairman of the PLO Executive Committee. The message says:

"On behalf of the Palestinian people and the PLO Executive Committe and on own behalf, I would like extend my warmest greetings to Your Excellency and, through Your Excellency, to the fraternal Government and people of Vietnam on the occasion of Your Excellency's election as chairman of the Council of Ministers of the SRV.

"On this occasion, I would like to express the Palestinian people's profound gratitude for the strong support given by the party, Government, and people of Vietnam to their just struggle and persistent uprising under the PLO's leadership."

Hanoi Voice of Vietnam Network in Vietnamese at 1430 GMT on 19 August carries a 1.5-minute report on the messages of greetings from the Thai and Mexican leaders to Comrade Vo Van Kiet and Comrade Nguyen Manh Cam on the occasion of their respective elections as chairman of the Council of Ministers and minister of foreign affairs.

The message from Prime Minister Anan Panyarachun of the Kingdom of Thailand says in part:

"The fact that Your Excellency assumes this lofty position at a time when important developments are taking place in the region as well in your country, I believe that with your diversified experience and ability, Your Excellency will be able to satisfactorily fulfill your weighty responsibility.

"On this occasion, I would like to reaffirm that it is the policy of the Thai Government to further strengthen the close relations and cooperation between the countries and peoples in the interests of our two countries."

Thai Foreign Minister Asa Sarasin also sent a message of greetings to Foreign Minister Nguyen Manh Cam.

The message from President Carlos de Gortari of Mexico says in part:

"During Your Excellency's terms of office, may the friendly relations and close cooperation between us be increasingly strengthened, and may the relations of economic exchange and political dialogue between our two countries at a bilateral level, as well as at multilateral forums, be increasingly expanded."

His Excellency Fernando Solana, secretary of foreign relations of Mexico, also sent a message of greetings to Foreign Minister Nguyen Manh Cam.

In the same cast on the same day, Hanoi Voice of Vietnam Network in Vietnamese also carries a 1-minute report saying that "Isidoro Malmierca Peopli, Cuban minister of foreign relations; Bessmerthnykh, Soviet minister of foreign affairs; Muhamet Kapllani, Albanian minister of foreign affairs; Budimir Loncar, Yugoslav secretary of foreign affairs; Jiri Dienstbier, minister of foreign affairs of Czech and Slovak Federal Republic; and Roland Dumas, French minister of state for foreign affairs, have sent messages of greetings to Comrade Nguyen Manh Cam on the occasion of his appointment as our country's minister of foreign affairs."

Hanoi Voice of Vietnam Network in Vietnamese at 1430 GMT on 20 August carries a 1-minute report saying that "Jozsef Antall, prime minister of the Republic of Hungary, has sent a message of greetings to Comrade Vo Van Kiet, chairman of the Council of Ministers of the SRV, on the occasion of his election as chairman of the Council of Ministers of the SRV; and that the Hungarian Minister of Foreign Affairs has sent a message of greetings to Comrade Nguyen Manh Cam on the latter's appointment as foreign minister."

More Congratulations Sent

BK2108084191 Hanoi VNA in English 0552 GMT 21 Aug 91

[Text] Hanoi VNA August 21—The newly-elected Chairman of the Council of Ministers, Vo Van Kiet, has received congratulations from Antall Jozsef, prime minister of Hungary, Prince Norodom Sihanouk, chairman of the Supreme National Council of Cambodia, and Abu-Zayd 'Umar Durdah, secretary-general of the General Peoples Committee (prime minister) of Libya.

Colleges Agree To Begin Exchange Program

BK2208074491 Hanoi VNA in English 0621 GMT 22 Aug 91

[Text] Hanoi VNA August 22—Prof. Dr. Hoang Trong Yen, rector of the Hanoi Polytechnic, and Dr. Yang Chae-hyun, vice chancellor of Dan Kook University, South Korea, agreed here yesterday to cooperate in the domain of learning and personnel training in the next years.

In the immediate future the two institutions will exchange teaching methods, books, information, and scientific and technical domuments and help each other in postgraduate training.

Australian Ambassador Presents Money to Victims

BK2108155791 Hanoi VNA in English 1504 GMT 19 Aug 91

[Text] Hanoi VNA August 21—Australian Ambassador to Vietnam Graham Richard Alliband yesterday presented the people in the flood-stricken areas in the northern Province of Son La with 10,000 U.S. dollars to overcome the aftermath of the July 27 flood.

Vo Chi Cong Congratulates Kaysone Phomvihan

BK2108145391 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 17 Aug 91

[Council of State Chairman Vo Chi Cong's 16 August congratulatory message to Lao President Kaysone Phomvihan]

[Text] On the occasion of Your Excellency's election as President of the LPDR, on behalf of the SRV Council of State and the Vietnamese people, and on my own behalf, I convey to you my warmest greetings.

The fact that the Lao Supreme People's Assembly [SPA] elected you as President of the LPDR indicates that the Lao party, state, and people have placed firm confidence in you, a party and state leader who has vast experience and who has gained great prestige at home and abroad.

I am firmly convinced that under the beacon of the Fifth Lao People's Revolutionary Party [LPRP] Congress resolution and in implementing the first LPDR Constitution recently adopted by the SPA, the Lao people will triumphantly build Laos into a nation of peace, independence, unity, democracy, and prosperity.

I wish the great friendship, special solidarity, and all-round cooperation between the two parties and peoples of Vietnam and Laos to be consistently consolidated and developed.

I wish you, comrade, good health and brilliant success in the lofty tasks entrusted to you by the Lao party and state.

Vo Van Kiet Congratulates Lao Prime Minister

BK2108145991 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 17 Aug 91

[Council of Ministers Chairman Vo Van Kiet's 16 August congratulatory message to Lao Prime Minister Khamtai Siphandon]

[Text] On the occasion of Your Excellency's election as prime minister of the LPDR, on behalf of the SRV Council of Ministers and the Vietnamese people, and on my own behalf, I convey to you my warmest greetings.

I am firmly convinced that with your vast experience and great prestige in Lao political activities, you will, together with other Lao party and state leaders, promote the Lao people's capability and revolutionary enthusiasm to successfully implement the Fifth Lao People's Revolutionary Party [LPRP] Congress resolution and triumphantly build Laos into a nation of peace, independence, unity, democracy, and prosperity, as asserted by the first LPRP Constitution.

I wish the great friendship, special solidarity, and the all-round cooperation between the two parties and peoples of Vietnam and Laos to be further consolidated and developed.

I wish you good health and brilliant success in your lofty tasks.

Army Paper Interview With Vo Van Kiet

BK2108133591 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 16 Aug 91

[From the daily press review program]

[Text] QUAN DOI NHAN DAN today, 16 August, carries an interview by its correspondent with comrade Vo Van Kiet, chairman of the Council of Ministers under the theme: "A strong economy will lead to strong national defense and security; consolidation of national defense and security will create favorable conditions for socioeconomic development."

Dealing with efforts to concretize major lines and policies set forth by the Seventh Communist Party of Vietnam [CPV] Congress, Comrade Vo Van Kiet said: The Seventh CPV Congress has asserted the determination to continue implementing the renovation undertaking along the socialist path. Various state agencies are dutybound to concretize these lines and policies to effectively build material-technical bases, develop the economy and production, and consistently improve the daily life of, and social welfare for, the people. They should strive to immediately resolve the arising socioeconomic problems so as to quickly apply the party resolutions to daily life and strengthen and perfect the party and state policies in actual fact. He said that good models have been formulated to effectively resolve various pressing problems. The state should continue to institutionalize the party lines and policies and compile them into legal documents so as to clearly define the citizens' rights and obligations toward socioeconomic activities and the state agencies' functions and authority in implenting tasks. This is in an attempt to gradually establish and perfect our legal system to meet the requirements of the new economic and management mechanisms, thereby creating opportunity for every citizen to develop his capability to contribute to building the fatherland. The party lines and policies, when institutionalized, will serve as a legal base for defining the managerial functions of state agencies and be a tool for opposing bureaucratism, corruption, and other social vices.

It is necessarty to say that turning the party lines and policies into legal documents to serve daily life in accordance with the spirit of the renovation is a very difficult task. Nevertheless, to ensure effective enforcement of the law is even more difficult. As a result, we must strive to encourage every citizen, state agency, and business unit to habitually live and work in accordance with the law for the benefit of the society and nation. All state agencies and officials must also eliminate bureaucratism and to do their best to build a prosperous Vietnam.

Catholic Leader Vo Than Trinh Dies

BK2208073891 Hanoi VNA in English 0623 GMT 22 Aug 91

[Text] Hanoi VNA August 22—Priest Pierre Vo Thanh Trinh, chairman of the Committee for Solidarity of

Vietnamese Catholics, vice chairman of the Christian Peace Conference, passed away at the age of 75 on August 21, 1991 at Thong Nhat Hospital in Ho Chi Minh City.

He was also vice chairman of the National Assembly (seventh legislature), and member of the Presidium of the Central Committee of the Vietnam Fatherland Front.

Journal Calls for 'Profound' Renewal

BK2108051591 Hanoi TAP CHI CONG SAN in Vietnamese Jul 91, pp 2-4

[Editorial: "To Renew Profoundly For Further Progress"]

[Text] The seventh party congress has concluded with fine results. Having been held at a time when international and domestic situations were fraught with complex developments, the seventh party congress, which had been carefully prepared, performed its work seriously. With 1,176 delegates representing the wisdom of over 2 million party members, the congress listened to the opinions earnestly contributed by various collectives and individuals inside and outside the party. The congress discussed democratically and decided on various important issues concerning the performance of the entire party and the prospects for national development.

With a high identity of views, the congress passed the following documents: The Program for National Construction During the Transition to Socialism, the Strategy for Socioeconomic Stabilization and Development Until the year 2000, the Political Report, the Report on Party Building and on the Amendment to the Party Statute, and the Amended Party Statute. The congress elected the party's highest leadership body, that is, the seventh party Central Committee, which comprises 146 comrades with Comrade Do Muoi as General Secretary. These comrades truly represent the quality and wisdom of the entire party. They also represent a major transition between various generations of leading cadres characterized by its continuity and inheritance.

The results of the congress reflect the political maturity of our party and its high sense of responsibility, unity, and uniformity. These are important premises and also decisive conditions that serve as an assurance for our entire party, people, and Army to continue to move along the renewed path and to build socialism under extremely difficult yet promising conditions.

It can be said that, the commanding appeal and the thorough ideas of various documents of the congress serve as an assurance for us to continue to implement the renewal process and guide it into its in-depth dimension in order to successfully build socialism in Vietnam. If the sixth party congress was the congress that initiated the renewal process with some fundamental outlines, then seventh party congress was designed to continue to supplement, develop, and further perfect the renewal process, thus shaping up a system of guiding thoughts for the cause of building and defending the fatherland during the transition to socialism in our country. These thoughts have resulted from the many serious studies and reviews of practical experiences. They have marked a vigorous renewal in theoretical thinking and reflected the principled character of our party and its political prowess. We are renewing ourselves along the socialist direction. This renewal is being carried out for the sake of socialism and for bettering socialist construction in Vietnam. The kind of socialism now being built by our people is one that has been reconceived creatively and correctly and in which dogmatism has been eliminated. Its form and its steps are suitable to the pattern and reality of Vietnam. Of course, this system of thoughts will continue to be supplemented, developed, and revised during the growth of the revolution. Facts show that no principles are correct or perfect when they are first introduced. Realizing and seeking the truth are always a gruelling process indeed!

Our entire party and people are determined to advance to socialism although they know that they will have to overcome countless difficulties and hardships before they can achieve it. Only socialism can truly bring bountifulness, freedom, and happiness for the people and can liberate mankind from all kinds of exploitation, coercion, and injustices. We are neither subjective nor illusionary. We do not have any simplistic thinking about socialism nor do we conceive the path toward socialism so rigid and childish as was previously the case. Reality also warns us against being illusionary and unjustifiably changing the path and the course for which our party and our people have sacrified dearly in order to establish. Advancing to socialism is a scientific choice after careful consideration and calculation. This move represents the willpower and the sacred feelings of our people and it has stood the test of time. Vacillating over the course of advance at this time will be very dangerous. It is no coincidence that hostile forces have day and night monitored all movements in our country. They will do everything they can to pressure us into changing our course, or in fact, into renouncing our socialist path so as to blend ourselves with capitalism.

One may ask what is the nature of our country's socialist concepts and the path toward socialism?

The Seventh CPV [Communist Party of Vietnam] Congress has asserted many important points related to this issue, which include the following:

Regarding the economy: We have definitely shifted to developing the multicomponent commodity-based economic system in which the state-run economy plays the key role; the collective economy is consistently consolidated and expanded; forms of ownership are harmoniously established; and diversified economic agencies are set up to carry out activities in an independent, cooperative, and competitive manner.

We must strive to absolutely eliminate the management mechanism based on bureaucratic centralism and state subsidies; establish a market mechanism under the state management through the enforcement of the law and implementation of plans, policies, and other measures, while promoting economic transactions throughout the country and expanding international cooperation.

Concerning social activities: We must develop human resources, ensure and consistently improve the spiritual and material life of people in society, guarantee social justice, ensure equality for all citizens to gain their interests and fulfil their obligations, and combine the individual's interest with that of the collective and society. The state will create favorable conditions for everyone to work, live, travel, and enjoy the rights to learn, rest, receive medical treatment, and improve their capabilities. The state will also take care of those who have given meritorous services to the country, as well as the elderly, homeless, disable people, and orphans, while striving to improve social welfare and activities.

Culture: We must strive to build a new culture, inheriting the fine national tradition and upholding the quintessence of mankind's culture; and build a democratic, humanitarian, and modern society for the interests and dignity of our people, while trying to foster and enhance the Vietnamese feeling and building new Vietnamese men.

Political system: We must build and gradually perfect the socialist democratic system: ensure the people's authentic power; and build the state of, for, and by people on the basis of the worker-peasant-intellectual structure under the party leadership. The main difference between socialist democracy and beourgeois democracy lies in the fact that the former promotes democratic activities of the majority of the people, ensures social justice, and opposes oppression. In the socialist democratic system democracy is really implemented in the political, economic, cultural, and social domains, while it is institutionalized and protected by the law.

Foreign affairs: We pursue a foreign policy of peace, cooperation, and friendship with all countries; loyalty to the working class' internationalism; and strengthening solidarity with socialist nations and all forces struggling for peace, national independence, democracy, and social progress.

While attaching much importance to national construction, we have consistently enhanced vigilance, consolidated national defense, maintained political security and social order and safety, and effectively defended the fatherland and revolutionary achievements. We must strive to firmly combine the task of socialist construction with that of defending the fatherland, considering them the two strategic tasks having a very close relationship in our revolutionary undertaking at all stages.

Advancing toward socialism from vestiges of the former colony and a semi-feudalist state, from a very weak production force, and from heavy consequences of decades of war—and against the background of complicated changes in the international situation and the hostile forces' attempts to undermine our people's efforts to build socialism and defend national independence—we should not carry out tasks in a hasty manner, deviating from the rule of law. On the contrary, we should gradually take appropriate steps and measures to achieve our goal.

In the initial stage of the transition period, our entire party and people must strive to implement the comprehensive renovation undertaking to stabilize the situation in various fields and create favorable conditions for a rapid development in the subsequent stages. A country with great potential and with a heroic and intelligent population will not bow to poverty and backwardness.

The next five-year period (1991-95) is a stage full of great ordeals. The Seventh CPV Congress has asserted that it is necessary for us to strive to quickly stabilize and develop the socioeconomic situation, maintain political stability, oppose negativism and social injustice, and lead our country to overcome the current crisis.

1991 and 1992 are the two pivotal years which will play a decisive role in adjusting the economy to the new world situation, and fostering and developing those fruitful achievements of the renewal. It is necessary to concentrate on effectively solving some most urgent socioeconomic problems such as ensuring enough supplies (gasoline, oil, fertilizer, iron, steel, cement, cotton, etc...) for production, creating favorable conditions for money generating transactions (e.g. financial and monetary...), market, and prices; fighting inflation, regulating and balancing the food supply, creating more jobs, improving the living conditions for people facing difficulties, renovating the wage system in conjunction rationalizing organizations and personnel, preventing the degradation of the educational and health sectors, stepping up the anti-corruption and anti-smuggling struggles, and maintaining political security and public order and safety.

To implement the above tasks and as basic measures, it is necessary to strengthen the all-people solidarity bloc, mobilize the forces of the people of all strata, uphold a sense of self reliance, promote patriotism and national pride, and practice thrift for national construction and defense. It is necessary to link economic leverage with the moral motivation, harmoniously resolve all individual, collective, public privileges, and create a popular movement for revolutionary action.

It is of great importance that we rectify and renew the party, effectively overcome all negative phenomena and weaknesses, restore and improve the party's prestige among the people, attempt to make the party truly a vanguard brigade of the working class and a representative loyal to the interests of the working class, the laboring people, and the nation as a whole. It is necessary to renew the party's leadership methods, concentrate on satisfactorily perfecting and substantiating all party concepts; understand and develop the resolutions of the seventh party congress, rationally interpret those problems arising from everyday life, provide the necessary guidance for organizational and cadre-related work to effect a change of revolutionary significance in this work at various levels, purify and improve the quality of party members, and preserve the unity and uniformity within the party.

We should continue to renovate the state apparatus, streamlining it so that it operates effectively according to the requirements for renewal of the managerial mechanism. We should pay attention to regulating the society by law and ensuring a clear-cut delineation of duties; avoid mistaking the function of state management for production and business management; and resolutely reorganize and streamline the personnel of various administrative and support- service organs.

The Fatherland Front and other mass organizations should be renewed organizationally and operationally so they can truly help carry out social democratization and renewal, care and protect the people's legitimate rights, participate in state management activities, and maintain and strengthen the close relations among the party, the state, and the people.

With the many results gained, the seventh party congress was obviously a congress of wisdom and confidence which advocated the pursuit of the renewal process. It was a congress of democracy, discipline, and unity.

Let's initiate a widespread emulation movement in the entire country to implement successfully all seventh party congress resolutions.

Although there are still numerous difficulties and obstacles ahead, we now have many new advantages. Encouraged by the results of the seventh party congress, our entire party, people, and Army should be ever more enthusiastic and confident. We should be aware of our duty in ridding poverty and backwardness, and making our people prosperous and our country powerful, gradually surging forward to stand alongside other civilized nations of the world. Our country's future needs are waiting for the great efforts of our existing generations.

As the Vietnamese communists and their beloved countrymen are united and of the same mind, they will certainly be able to successfully achieve their target and fulfill their set mandate for tiding the country over all ordeals and leading it to stability and ever-steadier growth.

Railway Union Given Investment Facilities

BK2108133191 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 18 Aug 91

[Text] The Council of Ministers recently issued Directive 226-CP on the settlement of some pressing problems in the running and management of the Vietnam Union of Railways.

The Council of Ministers authorizes the railways sector to keep all the amount of capital depreciation for three years 1991-93 for investment in capital construction; to export 5,000 tonnes of old and damaged cars soon to be scrapped; and to be exempt from paying taxes on some of the scrap metal so as to use hard currency in importing utility equipment and supplies.

The rail freight will be stipulated by the union on the principle of ensuring adequate cost accounting. The directive further charges the Communications, Transportation and Post Ministry and the Finance Ministry and the State Planning Commission with the duties of controlling and presenting appropriate projects to enable the Council of Ministers to decide whether or not to maintain lines that are either not used or used very little and ineffectively but with the union still having to sustain expenses for depreciation and operation.

Party School Studies 7th Congress Documents

BK2108133591 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 17 Aug 91

[Text] With a view to thoroughly understanding the seventh party congress documents, Nguyen Ai Quoc Institute held a training course from 1 to 15 August to to study the fundamental viewpoints in the party's major lines and policies.

More than 400 leaders and key research and teaching cadres of the party schools at central, provincial and city levels countrywide attended the course. Also attending were comrades in charge of ideological and theoretical tasks in agencies, committees and sectors of the central government and Army and in Hanoi.

Phan Van Khai Attends Socioeconomic Seminar

BK2108105791 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 16 Aug 91

[Text] On 14 and 15 August 1991, the state planning commission in coordination with the party Central Committee department of economy held a seminar to orient the socioeconomic stabilization and development strategy of northern mountainous regions until the year 2,000. Comrade Phan Van Khai, Political Bureau member and vice chairman of the Council of Ministers, concurrently head of the Socioeconomic Stabilization and Development Strategy Group for northern mountainous regions, and Comrade Do Chinh, party Cental Committee member and head of the Central Committee Department of Economy, personally presided over the seminar.

Leaders from eight northern mountainous provinces and responsible central ministries, committees and sectors attended the seminar. In two days of urgent work, 17 statements by the delegates to the seminar highly valued and unanimously agreed with the draft strategy presented by Comrade Do Chinh.

In the seminar, the delegates concentrated on debating the orientation of some objectives and discussed specific measures to implement the following central tasks from now until the year 2,000 for the northern mountainous regions:

—To restore forests and use forest land efficiently.

—To restore, improve and upgrade the network of communications, transportation and postal service.

—To develop the electricity network by expanding the national electricity grid.

—To restore and develop small and tiny hydroelectricity projects on highlands along the border.

—To focus on socioeconomic stabilization in combination with the settlement of nomadic farming and life and the restoration of forests and.

—To raise the intellectual standard of ethnic minority people and protect their health.

The seminar also petitioned for some special mechanisms and policies for the mountainous regions.

Speaking at the seminar, Comrade Phan Van Khai, Political Bureau member and vice chairman of the Council of Ministers, instructed the central sectors and localities to materialize the strategy in their 1991-95 plans. After appraising the favorable conditions, difficulties, and characteristics of northern mountainous regions, he proposed that in the next five years the provinces should strive to attain the target of socioeconomic stabilization for highlands along the border; restore and further build the infrastructural installations; create conditions for shifting the autarkic production to the manufacture of goods; resolve the pressing social problems; and consolidate and reinforce the security and national defense forces.

Directive on Hydrometeorological Tasking

BK2108103391 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 16 Aug 91

[Text] On 9 August, the Council of Ministers chairman issued a directive on intensifying the hydrometeorological task in order to enhance effectiveness in typhoon and flood control, alleviating the consequences of natural disasters, and supporting production and life.

The directive specifies: In the past years, hydrometeorological stations throughout the country have been operating continuously to effectively support the control of natural disasters, protect production and the people's lives, and serve socioeconomic development. Yet, damage caused by years of war, typhoons, flash floods, and economic difficulties have seriously degraded the network of hydrometeorological stations. Many survey projects and houses have been destroyed; machinery and utility equipment are in short supply; and the land of many stations has been encroached upon and used for other purposes. All this has affected survey and observation tasks both qualitatively and quantitatively.

Difficulties in getting equipment used for receiving and transmitting domestic and international data have hampered the ability of stations to cope with the requirements of supporting the task of typhoon and flood control, especially in the course of complicated weather developments and when natural disasters tend to increase as a result of current changes in climatic conditions.

With a view to a gradual increase in the quality of capital survey and the efficiency of hydrometeorology in socioeconomic domains, especially in supporting the typhoon and flood control task and reducing damage by natural disasters, the Council of Ministers chairman pointed to the following tasks to be immediately carried out:

Hydrometeorogical stations that are scientific bases for essential survey in the support of natural disaster control, exploit natural conditions and resources of hydrometeorology, and protect the environment should be strengthened, consolidated, protected and gradually modernized. This should be done from the three standpoints of technical material installations, signal communication network, and technical regulations and standards in order to intensify the capability, quality and effectiveness of hydrometeorological forecast of all kinds, in support of production and life, particularly typhoon and flood control.

Attention should be paid to the study and assessment of changes in weather and natural disasters and their effect on socioeconomic fields and the environment in our country, while research and application work should be accelerated in connection with production realities.

TV Station Set Up in Ninh Hoa District

BK2008075791 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 13 Aug 91

[Text] The construction of a television and FM broadcast station has started in Ninh Hoa District, Khanh Hoa Province, at the cost of 50 million dong contributed by the state and the people.

When completed, the station will be able to transmit high definition television waves to 24 villages in the district on three levels. The project is expected to be completed on the 2 September National Day.

2 Relay Stations Installed in Ha Tuyen

BK2008073291 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 7 Aug 91

[Text] The radio and television station of Ha Tuyen Province recently commissioned two relay stations in Ha Tuyen and Tuyen Quang cities. In addition to Don Duong transmitting station in Ha Tuyen, there are now three television relay stations. A 60-meter high antenna is being erected in order to receive signals from an additional area of dozens of square kilometers.

Australia

Evans Expresses Relief, Delight at Failed Coup

BK2208072291 Melbourne Radio Australia in English 0500 GMT 22 Aug 91

[Excerpts] The Soviet President Mikhail Gorbachev has appeared on Soviet television and vowed to bring the coup plotters to justice. The tired looking Mr. Gorbachev arrived back in the Soviet capital, Moscow, following the failure of the attempt by hardliners to remove him from power. [passage omitted]

Australia's foreign minister, Gareth Evans, has expressed relief and delight at the news from Moscow.

[Begin Evans recording] Gorbachev is going to come back with considerable stature, but the real winner of this has been Yeltsin, and I think we will see a quickly renewed momentum for if not the disintegration, certainly the dissemination of power back to the constituent republics within the Soviet Union. [end recording]

Hawke Restores Normal Relations With USSR

LD2208093591 Melbourne Radio Australia in English 0900 GMT 22 Aug 91

[Text] Australia's prime minister, Bob Hawke, has told Parliament he is both delighted and relieved by the collapse of the Soviet coup and the restoration of President Gorbachev and has given orders to restore normal relations with Moscow, which were suspended shortly after the coup began on Monday. that includes the restoration of the remaining $79 million of a $500-million line of credit to enable the Soviet Union to buy Australian wheat, wool, and meat. Mr. Hawke also paid tribute to Boris Yeltsin and the courage of the Soviet people.

[Begin Hawke recording] We pay tribute to them for their courage and for their commitment. We pay tribute to their leaders, Mr. Speaker, and particularly of course we pay tribute to the president of Russia, Boris Yeltsin. [applause] He and his followers have earned a place, I believe, not just in the history of their own country but in the history of democracy. [end recording]

Evans Sees Soviet Policy Following Coup

BK2208095491 Melbourne Radio Australia in English 0803 GMT 22 Aug 91

[From the "International Report" program]

[Excerpt] [Passage omitted] In Australia, the prime minister, Mr. Hawke has expressed his elation at the news of developments in the Soviet Union and Andrew Shaw sought out the Australian foreign minister, Gareth Evans, for his reaction.

[Begin recording] [Evans] I am relieved and delighted that the coup has so decisively failed. It is a real triumph, I think, for the democratic instinct of the Soviet people.

[Shaw] Where does the power base lie—with Gorbachev or with Yeltsin?

[Evans] Obviously, Gorbachev is going to come back with considerable stature, but the real winner of this has been Yeltsin and I think we will see a quickly renewed momentum for, if not the disintegration, certainly the dissemination of power back to the constituent republics within the Soviet Union.

[Shaw] What does all this mean for us and our region?

[Evans] Well, I think it clearly means that any concern we may have had about the Soviet foreign policy going right off course has now well and truly alleviated. We can expect the continuation of the policy of a much more reasonable approach to the resolution of regional conflict like Cambodia and so on—much more sensible approach for some of those ongoing tensions in the North Pacific and the Korean peninsula and elsewhere and a hope for yet a long-term future of, I think, considerably more stability and security than we have had in the past.

[Shaw] Before all this began could the West have done more to have averted this coup?

[Evans] I do not believe so. When you think in terms of what West Germany have to pour into East Germany to prop up the ailing economy there, the sums of money involved to repeat that right across the Soviet Union would have been absolutely immense. There was great political support for what was happening. Their argument is that the economic support was not great as could have been. I think that is to misread the art of the possible. [end recording]

Papua New Guinea

Bougainville Rebels Cast Doubt on Peace Talks

BK2108092891 Melbourne Radio Australia in English 0500 GMT 21 Aug 91

[Text] Bougainville secessionist leaders have thrown doubt over peace talks scheduled for next week with the Papua New Guinea Government. The seccesionist leaders have demanded the withdrawal of Papua New Guinea troops from neighboring Buka island and northern Bougainville as a precondition for the talks.

A government official from Rabaul that the leaders have demanded a multinational peacekeeping force in those areas. The official said the demands were not likely to be met as the government had in the past refused to withdraw troops.

The latest rebel demands come only days after the Commonwealth Secretariat in London announced the talks would be held under its auspices. It had also appointed former New Zealand governor general, Paul Reeves, as chairman for the talks. Commonwealth Secretary General Chief Emeka Anyaoku of Nigeria also plans to attend the talks on Bougainville.

Bougainville Leaders Warn Namaliu on War Restart

BK2208084891 Hong Kong AFP in English 0727 GMT 22 Aug 91

[Text] Honiara, Aug 24 (AFP)—Bougainville leaders warned Papua New Guinea [PNG] Prime Minister Rabbie Namaliu Thursday that his behaviour could determine whether there will be peace or war on the predominantly rebel-held island.

A strongly worded statement issued in this capital of the neighbouring Solomon Islands by the Bougainville interim government accused Namaliu of using "divide and rule" tactics, which it said would never succeed.

"His government stands to suffer further loss of credibility if the prime minister fools around during these critical moments," the statement said.

It followed Namaliu's announcement Wednesday that Bougainville chiefs and rebel fighters in the north of the island had made peace with the Papua New Guinea Government during a ceremony the previous day.

The statement said Namaliu should stop issuing such statements and told him "to deal with the interim government instead of going behind the back door to village chiefs who will only say yes under the barrel of a gun."

It appeared, the statement added, "that Mr. Namaliu is not interested in next Monday's talks because he knows he has run out of arguments to support his government's case while Bougainville's case has been gaining momentum."

It said the prime minister "must be man enough to face us" and demanded the talks go ahead Monday.

"This time around the world is watching PNG and Namaliu can no longer continue to pass the buck on Bougainvilleans if he frustrates the timing of the talks."

Rebel leaders have thrown the peace talks into doubt by demanding as a precondition the withdrawal of Papua New Guinea troops from Buka Island and northern Bougainville—a demand considered unlikely to be met.

Talks With Bougainville Secessionists Postponed

BK2208102691 Hong Kong AFP in English 1010 GMT 22 Aug 91

[Text] Port Moresby, Aug 22 (AFP)—A new round of talks scheduled for Monday to try to end the Bougainville secessionist revolt has been deferred for two days, Prime Minister Rabbie Namaliu said Thursday.

Namaliu said rebel leader Francis Ona, who indicated he would personally take part in the talks, had requested the delay to allow for a Bougainville delegation to return from a United Nations conference in Geneva.

Joseph Kabui, the secessionists' chief negotiator, is the leader of the delegation, which has accused the Papua New Guinea [PNG] government of atrocities on Bougainville.

Namaliu said the talks were crucial and Kabui's team had to return, adding that he was awaiting further confirmation on the talks from an advance team which travelled to Bougainville Wednesday.

The team, which includes New Zealand high commissioner to Port Moresby John Hayes, is expected back Friday.

Bougainville rebel leaders are reported to have set as a precondition for the talks the withdrawal of all PNG troops on the northern tip of Bougainville and the nearby island of Buka. But Namaliu said the government would not give in to such a demand.

He said, as agreed under the terms of the Honiara peace accord signed by the two sides earlier this year, an interim government should be set up on Bougainville and a multinational supervisory team be engaged to oversee the restoration of peace and services.

The troops would not be withdrawn unless the safety of these people was guaranteed.

Earlier, Bougainville leaders warned Namaliu his behaviour could determine whether there would be peace or war on Bougainville.

A statement issued in the Solomons capital of Honiara by the Bougainville interim government accused Namaliu of using "divide and rule" tactics, which it said would never succeed.

"His government stands to suffer further loss of credibility if the prime minister fools around during these critical moments," the statement said.

"...Depending on how Mr. Namaliu behaves, the coming talks could mean peace or war."

The statement followed Namaliu's announcement Wednesday that Bougainville chiefs and rebel fighters in the north of the island had made peace with the Papua New Guinea Government during a peace ceremony the previous day.

It warned Namaliu to stop issuing such statements and told him "to deal with the interim government instead of going behind the backdoor to village chiefs who will only say yes under the barrel of a gun."

Vanuatu

Lini Refuses To Convene Special Session

BK2108092691 Melbourne Radio Australia in English 0500 GMT 21 Aug 91

[Text] Vanuatu's prime minister, Walter Lini, has rejected calls for a special parliamentary session to remove him from office and has asked his attorney general, Silas Hakwa, to resign.

In a speech on radio, Father Lini said he was surprised to see a message authorized by Mr. Hakwa calling on all members of Parliament to attend the special session on 27 August.

The call was made by the deputy speaker, (Telly Townal). Mr. (Townal) supports Donald Kalpokas, who was elected to replace Father Lini as president of the Vanua'aku Party by a special party congress on 7 August.

Mr. Kalpokas will automatically become prime minister if Vanua'aku wins the next elections. But officials said government members could elect him before that.

In his broadcast, Father Lini said Mr. (Townal) had no authority to call a parliamentary session. He said Parliament was alive and well and would be until 11 December—the last legal date for dissolving the legislature and calling an election.